California Journal

A MONTHLY DIGEST OF STATE GOVERNMENT AND POLITICS

Interview: Governor Reagan

The Budget Process

Finance Director Verne Orr

Reapportionment Showdown

Campaigns Cost $26 Million

1971 Legislative Agenda

December 1970 in Review

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Editor's Note

Transcribed interviews have been a feature of nearly every issue of *California Journal* since its inception, and with the appearance this month for the first time of two interviews in one issue it is appropriate to discuss our conception of how they fit into the pattern of the *Journal's* coverage.

The interview is intended to be an integral part of the reporting and analysis of California government and politics. A successful interview serves three purposes difficult to achieve in any other way. First, it is a fact that individual personality may have as much bearing on the administration of government as it does on the political process. Transcribed interviews can provide the reader with insight into a person's philosophy and thinking and may thereby provide deeper understanding of the style and character of administration. Second, although there is a place for off-the-record and background interviews (and we depend on these for some of our coverage), there is nothing like tape-recorded conversation to reveal the breadth and substance of policies and opinions — or the lack thereof.

Not all of our interviews have been equally good in providing the depth of insight we intend. But even in those cases when the interview has provided only limited insight into the personality of an individual (I can think of two in that category this year), it was still possible to serve the third purpose: to present programs and policies in the words of those who are most closely associated with them. Of course, this alone does not give a balanced perspective, but it is a vital one which, except in the case of the Governor, seldom gains wide circulation.

We are indebted to those whom we have interviewed. It is difficult to talk for the record without prior warning as to what questions may be asked, particularly when the interviewer wishes to pursue questions one might prefer to avoid. Needless to say, we must edit these interviews extensively to translate spoken words into printed words and to shorten the material to fit our space. No one has yet objected to the editing, however, nor been seriously disturbed by Ric Hugo's caricatures which accompany the interviews.

The subjects for this month's interviews were obvious. Governor Ronald Reagan is entering his second term in office determined to achieve the goal he set four years ago — to reduce the size and cost of government. The second interview, with Verne Orr, the Director of Finance, caps the extensive coverage in this issue of the Department of Finance and the process by which the budget — the chief instrument for implementing the administration's policies is constructed.

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INTERVIEW

Governor Ronald Reagan

California Journal interviewed Governor Ronald Reagan, in his office, on December 16, 1970, upon his return from the Republican Governors Conference in Sun Valley.

California Journal: At the end of your term as Governor, what legacy would you like to leave the people of California? What would you like to be remembered for as Governor?

Governor Reagan: I suppose it would still be the original goal that we had — to bring government back down within what I think is a reasonable cost to the people, but also with reduced power and size. I am one who believes government has tended to grow further from the people and more centralized in authority — on up from the local government to the state, from the state to the federal government. We keep striving to get the federal government to return more autonomy to the state, but I feel we can't do that without, at the same time, our returning it more to the local government. I think we have made some sizeable gains in all of these things.

I think we have been trapped by two things and right now they hang over us. One of them, of course, is this economic crunch, the slump in revenues that every echelon in government, including the national government, is suddenly faced with for the first time in a lot of years, with rising inflation and the accompanying seeming affluence that goes with an inflationary spiral. Right now we are in the period that always follows. So probably in the long run, it is a good thing that we have got to start thinking poor again and not just be the fellow with enough money in his pocket to buy everything he thinks of.

Government is so spoiled that the first reaction to any crunch is that we will get more money from the people. I think the people are as hard-pressed as anyone with inflation, and I think the time has come for government to say, "If there is any belt-tightening going on, we match the citizens in the belt-tightening, too."

But the big villain over and above that, the big villain that has kept virtually all of our savings from being returned to the people in reduced cost of government, is the 35-year heritage of welfare programs that are out of control, that are increasing far faster than the revenues normally increase with growth in the economy. And we find ourselves in a position of cutting back on the type of things people should ask of government — parks and everything else — actually cutting those to feed this welfare monster.

So I suppose if I could single it down, I would have to say that we must contribute not only in this but on the national scene to evolving a program that will, first of all, meet the real needs of the truly needy — the people who must be dependent on the rest of us, who can't provide for themselves. And we are not doing that now; we are spread so thin, and the programs are becoming so broad that they include what we call the affluent poor — the people with earnings and all. We must meet that need and restore some order and purpose to welfare to make it reasonable and what it should be.

My own view is that welfare should be divided, and you should take the permanent dependents — the aged, the disabled, the blind — and set them aside, not as welfare recipients but as pensioners who, as I say, through no fault of their own must depend on the rest of us. Let's put them on a basis similar to Social Security, where with the least administrative overhead they are provided what they need, not only just to stay alive, but with as much comfort as we can provide. And then we can turn to the rest of welfare, and our goal should be — treating this, as far as we can, as a temporary problem — our goal should be to solve the problems of those people who are physically able but not now capable of going out into the competitive market to sell themselves in the labor market. Making them able to do that to the point, year by year, that this problem diminishes rather than constantly increasing.

Journal: Do you feel that these goals are within your grasp? Will you be able to do that by the end of this next term?

Governor: I have to believe we can, because if we can't before the end of the next term, not only this state but many of our counties and our federal government will be bankrupt, because they are all faced with the same problem. When you stop to think that Medicaid, which we call Medi-Cal in California, started out at the federal level with an estimated cost of $278 million and now costs $5 billion and no end in sight, they are throwing up their hands in horror.

Now I grant you there is going to be resistance from some, as there always is in government when you've got some built-in bureaucracies and empires connected with these programs, and I think we are finding that resistance. But we have to find the answer to the problem also, and I think we can. I have to believe we can, or if we can't, then we may as well give up now.

Journal: Will that be accomplished, do you think, simply by limiting spending in the ways that you described, or are there other creative ways in which we can change the way these programs are administered and their goals.

Governor: Yes, I think there is room for a creative approach. We have too many people who are the second and third generation of their families on welfare. It has become a permanent way of life for a whole segment of our society. It never should be. And it isn't enough to think that our only goal and purpose is to continue to fill their bellies. There is a spiritual side

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to man also, and we are just destroying the moral fiber of man.

I have been talking here — now this is hypothetical, this isn't a plan, we haven't gone that far, but we have had a task force working for sometime, throughout the campaign. We kept quiet about it because we didn't want that to look like it was something to do with a campaign gimmick, but it's for real, though they haven't come to the end of their findings yet. But, for example, if you could envision, once having cared for these disabled and aged, you then turned to this other group of people, and you said, all right, there is no more welfare at all, but ther is a public work force. It is not to take jobs away from legitimate government employees or even from the private sector. But let's say we and the local governments could catalogue, on a priority basis, not projects like the old WPA, where a town could dream up a project really just because it wanted to get the money, and some of them wound up with digging holes and filling them; but if you said, what are all the things that are not now being done?

Hugo

And with the emphasis on environment today, you know, you have added a whole new field. What are the things that, if you had a large work force that you could afford to hire, you would do? We have thousands of acres of park land in California that has never been developed yet — it is years away from being cleaned up, trails and roads put in, campgrounds built — all these projects. You could say, well, we do have that permanent work force that we can afford, we are already paying the money. Only change the name of that welfare check to a work check, to a paycheck, and these people can come into this public work force.

Journal: Will this help reduce the one million or so children who are also involved in welfare?

Governor: Many people point to this in this program. And they say, well, what about that? Let's look at this situation. Young women who don't have a job skill and who have young children are even handicapped as to going into job training or anything else because of this. So recognize the need for child care centers. But now, what about those other women with older children for whom, perhaps because of their years, it is not feasible or practical to look toward job training. They could provide the caretakers in the child care centers. These could be the people whose assignment would be taking care of other people's children, including their own, while the younger ones could be given a marketable skill. I think it is something that really needs exploring. I know that the administration in Washington is motivated by the belief that we need a new approach. They face and are willing to admit that welfare is a colossal failure. They are literally asking us to come in with proposals — things that we could do.

Journal: Every study that has been done on the task of preserving the environment has put a tremendous price tag on what it is going to cost in order to do that. Looking toward the large-scale programs that we are told we need in order to protect the environment, doesn't this suggest that the savings that are made in other areas of government are going to be replaced by new programs in the environment?

Governor: Not necessarily to the extent that people think. I have been concerned about the many people that talk about the monumental cost. I don't think they have properly analyzed that. A lot of that cost is the private individual's cost. Is he willing to meet the price?

Now, with respect to water pollution, our bond issue that passed this time is an area of government cost. That bond issue will make available three times its amount in total funds and should be able to solve the problems in California of cleaning up our pollution, not only of bays and seashores but our streams and our lakes. So, this is the public cost. But let's take the air pollution cost. There, when you talk about it, we are already subscribing to research, and there is a limit on how much can be done at the government level, and in the enforcement of standards.

But when you talk cost there, you are talking about whether the public is willing to pay the added cost in the price of an automobile and fuel to have a clean motor and clean fuel. So this isn't a government problem. Our problem is simply to be realistic in imposing controls on the makers of fuel and the makers of automobiles that meet that tenuous line where we force them into creating what they have to create, and yet not be so unrealistic as some of the things that have been proposed, like saying that if they can't do it by x number of years, throw them off the road.

I think California is ahead of the whole nation, including the federal government, in that field. I think we have done more to force Detroit to make cars meet our requirements. They have to help clean up the rest of the country, too, because we are a big enough market that they have to make their cars to meet our standards.

And I think a great deal of the environmental fight does not hinge on the public thing, but in that area the very thing we were talking about, this kind of a public work force, for rubbish clean-up. You know that on a volunteer basis, a minister down in the central part of the state got together several hundred young people, and they on a volunteer basis cleaned up 60 miles of highway, every bit of litter leading into Yosemite. You know darn well that Americans are going to throw that much more litter right back out. So, we are talking about innumerable areas where the public expense would be met with money that is now being paid out with no return to it. It is like you are paying someone a salary and he is performing no service or work.

Journal: One last question — how do you feel emotionally and personally about going into your next four years as Governor after the last four years?

Governor: Listen, I'm itchy about it. I know, really, the crisis that is confronting us. It is a deep one, and I think we haven't told the people, haven't been able to report to them thoroughly — they just know generally — that both from welfare and reduced revenues, we are in trouble. But I see this as an opportunity, because here, through sheer need, we have the carrot-stick philosophy with the stick behind us. Perhaps this is an opportunity to get rid of some of the frills in government that the people, if they thought about it, would discover they didn't need at the price they have been paying.

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Building the Governor's Budget: The Department of Finance

"The immediate problem is to limit spending for the remainder of this year and to plan for the utmost in austerity budgets for 1971-72."

Governor Reagan (11/30/70)

The man to whom it fell to carry out this decision is Verne Orr, 54-year-old Director of the Department of Finance and, as such, the Governor's chief deputy, not only for fiscal affairs but for overall management of the vast state bureaucracy. Orr, a former auto dealer and savings and loan executive and for three years Director of the Department of Motor Vehicles, has held his current post for only a year, but in that short time he has already faced some of the toughest decisions which a state finance director has ever confronted. And it promises to get tougher as the four-year-old Reagan administration enters its second term with an increasingly severe fiscal crisis on its hands.

As Director of Finance, Orr presides over the Department of Finance and is a leading figure in the Governor's cabinet. He is also a member of a number of major and minor boards and commissions, including the Franchise Tax Board (which administers state income and corporation taxes), the Public Works Board (which approves all state construction), and the State Lands Commission. Membership on these boards increases the demands on his abilities and those of his staff, but also extends his influence in the formulation and implementation of state policy.

Other directors before him have eventually become important political advisors to the Governor, most notably, in recent years, Hale Champion, who was director of Finance and a chief political advisor to Governor Brown throughout most of Brown's second term. Orr, who is well-liked and not easily rattled or angered, has not yet entered into that role and does not appear likely to do so. Inevitably, however, he will be one of the administration's chief spokesmen in the debate over state fiscal policy, and that debate is certain to dominate most other state issues over the next six months.

Department Functions

The principal functions of the department over which Orr presides are to supervise the preparation of the annual Governor's Budget; to carefully analyze all proposed legislation which affects income or expenditures; to monitor the spending of the various state departments for compliance with the administration's policies; to provide estimates of the amounts of revenue available for state spending; to insure that all state financial transactions comply with the pertinent statutes, rules, and regulations and accepted management practices; and to provide the Governor with program and policy plans in areas of major interest to him.

The department's own budget for these purposes for 1970-71 is approximately $4 million, and its staff includes some 226 professional, technical, and clerical positions. As the organization chart on page 336 shows, the department is subdivided into a budget division, an audits division, and a program and policy office. By far the largest of these is the budget division, which is really the core of the department. It is responsible for pulling together the Governor's Budget (the Governor's "financial plan") each year, preparing cost estimates for all proposed new legislation, developing revenue estimates, and conducting management and program evaluation studies for the other departments and agencies. Budget division staff also assist in the defense of the Governor's budget before the Legislature's fiscal committees.

Both the budget division and the audits division are responsible for monitoring the administration and spending of the various state agencies and departments to make sure that they comply with administration policy and with the many special statutory requirements, the annual budget act, and accepted accounting and other administrative practices. The audits division conducts "field examinations" of all state agencies on a cycle which is intended to assure that every agency is audited every two years. Recently, however, the audits division has cut back its surveillance of "low risk" agencies (e.g., the courts, district and county fairs, the Lt. Governor's Office, and the Department of Finance itself) and has concentrated its activities in high expenditure areas such as the public school system, the state colleges, and the University of California. At the same time, it has expanded its role in the auditing of "management performance"; that is, not only accounting practices but the whole realm of administrative structure, procedure, and reporting.

Programs and Policy

The Program and Policy Office was formed in 1963 "to provide consultation and coordination to the departments and agencies of the state with respect to organization and planning," to develop cost and manpower controls, and to conduct special program studies. In practice, the office has served primarily as a central unit for major management studies and for the development of new legislative and administrative programs for the Governor. For example, in recent years it has played an important role in the development of the Governor's tax package, his administrative reorganization plans, the development of the Human Resources Department and in studies of educational finance.

The office is staffed with seven to eight civil service "consultants" and "planners" drawn from within the Department of Finance, other agencies, and from outside state government. In order to assure that the staff is loyal to the current administration and generally shares its view while remaining within the civil service structure, the staff members are classified as career executive appointees. This means that they are specially appointed to this office but can be bumped back to their last civil service position if the administration choses. Only two of the existing staff are holdovers from the Brown administration.

The manner in which the Program and Policy Office works illustrates an important point about the present organization of the entire department. Program and policy staff draw information and staff resources from anywhere within the department; most of their work, in fact, crosses organizational lines. Similarly, throughout the department functional assignments for special studies, analysis of legislation,

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etc., are often very different from the basic administrative structure.

Budget Process

The process of building the annual state budget begins in late July or early August when department and agency personnel meet with budget division staff to begin discussing the next year's budget. Shortly thereafter, a budget letter goes out from the Department of Finance to every state department and office to provide them with much of the technical data regarding service and equipment costs necessary for the preparation of their budgets. In the last several years this letter has also been used to establish the basic policy guidelines for budget submission.

Last year, for example, this letter carried instructions to the agencies that they were to present budget figures based first upon 80 percent of "workload" needs (i.e., last year's budget plus price increases, any growth in the population they serve, and the costs of new legislation). Then they were to indicate what more they felt they needed to meet 100 percent of their workload budget. In the words of the present Finance director, who was then a department head, this produced, particularly in higher education, "a great deal of almost hysteria that they were going to get only 80 percent of the preceding year, which were not the instructions at all."

This year the technique remained the same, but in order to attempt to avoid that kind of hysteria, to get a different response phychologically, the departments were instructed to say first what they needed to meet 100 percent of their workload and then to back down in 5 percent units to show what they would need for 95, 90, 85, and 80 percent of their expected workload. In addition, each agency was told that it could indicate recommended increases in spending for new programs, higher levels of service, etc., up to an additional 5 percent.

Based upon these guidelines, department administrators and budget officers began assembling their budget proposals with assistance from the budget division personnel assigned to their area of activity. Much of this assistance this year pertained to deciding what would and what would not be accepted as workload increases over the last approved budget. Nevertheless, this is far different from the experience of only a few years ago when budget division staff often found themselves so heavily involved that they were drawing up the budgets in several areas. Recently, and particularly within the past two years, there has been an effort to be less involved at this stage, to force department officials to make their own hard decisions. In addition, under the relatively new agency structure it is expected that the agency secretaries will work with department officials to structure their budget requests according to administration policies — i.e., to cut them down to the allocation figures.

Another practice which has largely been abandoned is that of holding formal, scheduled conferences between department officials and the Director of Finance, with his staff, to hear department pleas for more money and for particular programs which might be jeopardized by "tight budget" policies. Such conferences in the past often led department officials to believe that they might after all get much of what they wanted most—as a consequence of the unwillingness of the director and his senior staff to reject proposals on the spot based on information then available to them. Although budget conferences continue to be held, they are mainly called either to issue new policy decisions and guidelines or to hear special problems. The agency secretaries are expected now to carry administration policy to the departments and to work out most of departmental problems within their agencies. Departments and activities which are outside the agency structure, however, such as the offices of the constitutional officers and the three segments of public higher education, continue to meet with the director or his chief deputy to review their budget requests.

By late November this year, most of the departments had completed preparation of their proposed budgets and they had submitted them to the cabinet for its review. At approximately the same time the cabinet received from the budget division a preliminary estimate of revenues for the balance of the current fiscal year and for the new budget year. The cabinet then began reviewing the proposed budgets to match them with projected revenues. This was largely completed for most agencies and departments by mid-December and the departments were then informed as to the exact dollar amounts of their 1971-72 budgets. Other departments were given a tentative figure pending a final decision by January 1st on the last few major items. These final decisions always await the last firm revenue estimates, which are usually completed by the end of the year.

NEW BUDGET FORMAT

For many years the Governor's Budget has been published in three large and heavy documents which give considerable detail as to "line-item" expenditures, positions and salary levels, local assistance, and capital outlay.

This year, an entirely new format will be tried. Each department has been asked to prepare, in effect, three budget documents: (1) a brief general summary highlighting program or workload changes and covering current expense, capital outlay and local assistance as appropriate; (2) a "budget supplement" which provides somewhat more detail as to program objectives, followed by a summary of data on each of the three principal types of expenditure and a detailed listing of positions and salary levels; and (3) a final document which includes all the line-item budgetary detail which has been left out of the first two documents.

The general summary material for all departments and agencies is to be published in a single, relatively compact document. The supplementary material is to be published separately, with a separate volume for each major area of state activity (e.g., education, human resources, etc.). The back-up detail is not to be published at all, but is to serve chiefly as an internal control document.

The point of all this is to make the Governor's Budget more useful to legislators by pulling together all types of expenditures in each area and by eliminating much of the traditional detail. Finance officials hope by this to make their report more competitive with the annual report of the Legislative Analyst.

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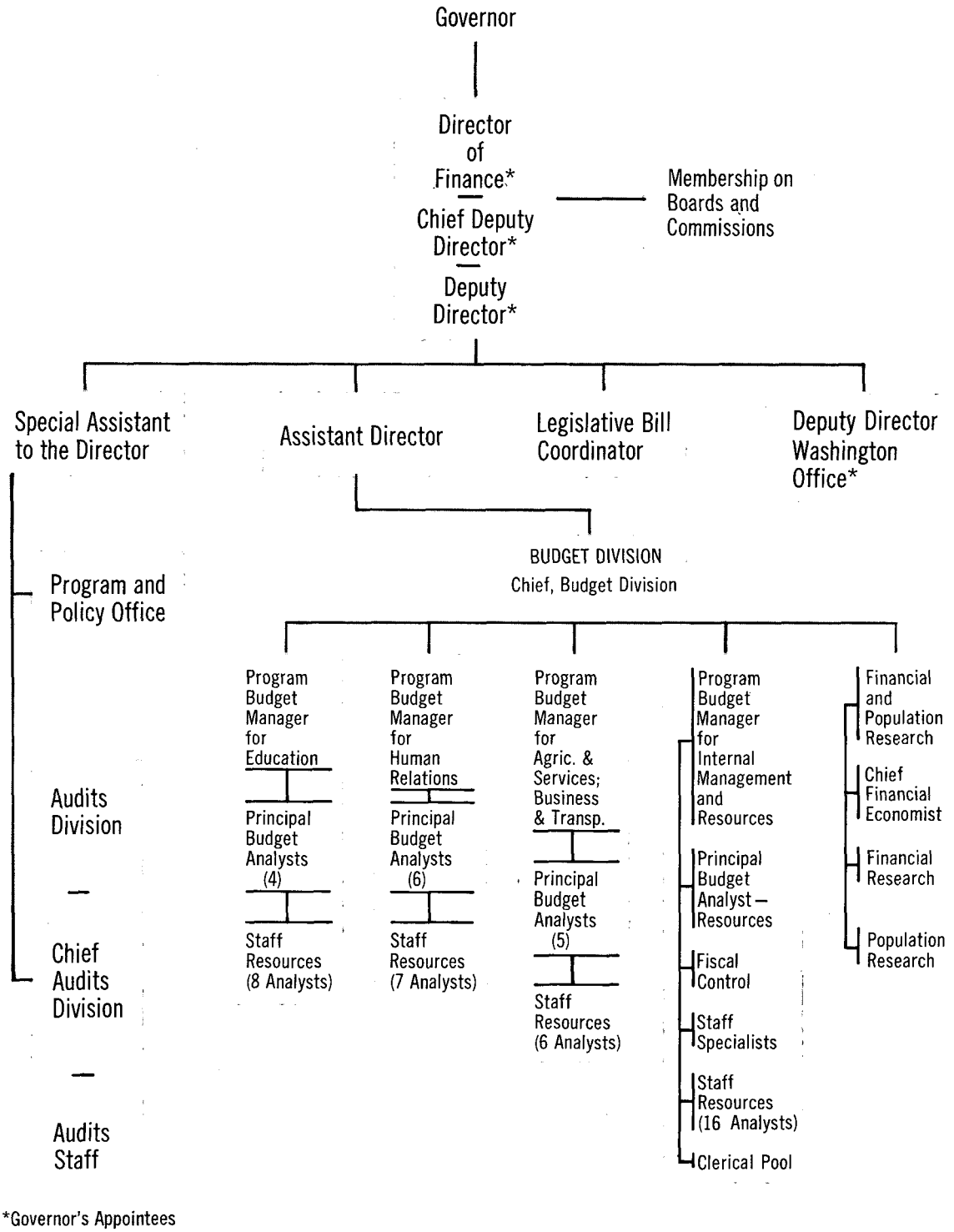

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It is difficult to overestimate the importance of the general Fund revenue estimates in determining the size and character of the budget, particularly in very tight budget years. The revenue forecasts which are produced by the budget division set the outside limits on expenditures (unless the budget is balanced by a tax increase or, for example, the adoption of withholding), and when revenues fall behind expenditures these limits become the major element in budget building.

In late October each year, state revenue estimators from across the country meet under the auspices of the National Association of Tax Administrators to discuss current and future economic developments. Based upon this discussion and its own judgments, the financial research office of the budget division prepares a lengthy memorandum on the outlook for the nation and California. This memorandum goes out to fifteen or more business leaders, economists, and specialists in such fields as labor, agriculture, and the aerospace industry. Early in November these individuals, whose names are not disclosed so that they can be free of some of the usual institutional restraints, meet for two days to present and discuss their views.

Based upon the advice it has received at this conference and a number of other sources (including a survey of 1000 major corporations, a sampling of insurance companies and banks, plus federal and other state officials across the country), the financial research office prepares a preliminary revenue estimate which goes to the cabinet in mid-November. A final estimate of revenue and of monthly cash receipts is submitted during the last two weeks of the year.

It is important to note that the problem of estimating revenues has two major parts: a forecast of national and state economic developments over the budget period and a detailed estimate of the impact of those developments on California's revenue structure. Revenue from some of the taxes upon which the state relies are relatively easy to estimate, but others, and particularly the sales tax, the income tax, and the capital gains tax, which produce the major portion of state revenue, are very difficult to forecast. For several years recently, Department of Finance estimates proved to be too conservative and department officials were accused of purposely erring to hide surpluses from the Legislature. In the past two years, however, actual revenue has fallen below the budget estimates and department officials have been accused of failing to see economic trends obvious to others. Whatever the merits of these charges, the department's financial research staff has come to take pride in its record.

Although there has been some effort to establish a state program planning and budgeting system

(Continued on page 356)

Top Officials of the Department

The men who serve immediately under Director Orr also play prominent roles in the development and implementation of administration policies. These men are:

James S. Dwight, Jr. Chief Deputy Director. Dwight, who is 36, had been controller for Sunkist Growers prior to joining the Reagan administration in January, 1967. After serving for more than two years as deputy director, he was raised to Chief Deputy Director in the fall of 1969. In this position he is a member of the Governor's staff and holds cabinet rank. His responsibilities cover most of the activities of the department, with special emphasis upon the development of the Governor's budget, formulation of administration policy in the field of education, and representation of the director on the various boards and commissions of which the director is an ex-officio member.

Kenneth F. Hall. Deputy Director. Hall at 32 is the youngest member of the Governor's staff. Formerly administrative assistant to Assemblyman Newton Russell, he came to the administration in 1967 as Assistant Cabinet Secretary. In 1968, he was appointed Assistant Secretary of the Agricultural and Services Agency, and in July, 1970 he became Deputy Director for the Department of Finance. Hall is responsible for legislative liaison for the department and also has responsibility for assisting in the development of the Governor's budget and in preparing administration tax programs.

Roy M. Bell. Assistant Director. Bell, 53, holds the senior civil service position in the department. He has served in the department for 24 years, rising through the budget division to supervisor, assistant chief and chief of the budget division. He became Assistant Director nine years ago during Governor Brown's last term. With a thorough knowledge of the functions and responsibilities of the department, Bell has particular responsibility for budget development, preparation and testimony before the Legislature on proposed legislation, and supervision of economic forecasting, and he also watches over the state's cash management and bond financing.

Edwin W. Beach. Chief of the Budget Division. Beach, who is 52, has served in the department for 23 years and in his present position nine years. He is responsible for the direction and coordination of the budget division, including its work in the preparation and presentation of the Governor's budget.

Matthias F. McDonald. Special Assistant to the Director. McDonald, 46, came to his present job in the department in 1967, having previously been employed as manager for management policies at Lockheed and in similar capacities for other aerospace firms. He is responsible currently for development of the automated budget data system and related elements of the Governor's education task force study. He also exercises administrative supervision over the audits division and the program and policy office.

Other top officials in the department include: **James E. Jensen,** Deputy Director for the department's Washington office; the four program budget managers—**Albert C. Brown** (internal management and resources), **Al M. Loeb** (education), **Charles C. Harper** (human relations), and Clifford L. Allenby (agricultural and services, business and transportation); and **Richard T. Sodeberg,** Chief of the Audits Division. The position of Chief Financial Economist is temporarily vacant. Ralph Currie held the position for many years before resigning last year.

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Interview: Verne Orr, Director of Finance

Verne Orr, Director of the Department of Finance, was in the midst of making the final decisions on the 1971-72 budget when this interview was conducted on December 14th. Orr first served the state as Director of Motor Vehicles from 1967-69. He was appointed Director of Finance in January 1970, replacing Caspar Weinberger who had been called to Washington to serve in the Nixon administration. Orr is the third man to serve in this position under Governor Reagan.

California Journal: It was just about one year ago that you took on this position. What was your background before that?

Verne Orr: Very briefly, before coming to Sacramento, I was an automobile dealer for about 15 years and for about 5 years, president of a savings and loan association. The Governor asked me to come to head the Department of Motor Vehicles in 1966. I was Director of Motor Vehicles for about 3 years, and then was asked to go over and become Director of General Services, a position I had just a month when Mr. Weinberger accepted a position with President Nixon. There was a vacancy here, so I was asked to fill it. I became Director of Finance January 1st of this year, almost a year ago.

Journal: So this is really your first budget, although you came in on the end of the last one?

Orr: I came in after the details of the current budget had been closed, but some of the last minute major decisions had not been made, so I participated in those. But as to a great deal of the preliminary work, this is my first budget.

Journal: Could you briefly step through the major stages of the annual budget preparation?

Orr: In the spring, the cabinet discusses in broad, general concepts the way the budget shall be formulated. Based on that discussion, the Director of Finance prepares a draft letter to the departments setting forth the budgetary procedures for the coming year. That is taken back to the cabinet before it is sent out, and the cabinet goes over it to be sure that it follows the line of thinking that we want. With such changes as are necessary, the letter then goes out to all department heads and to those parts of the government not under the Governor, such as the University, the constitutional officers, and the judiciary, setting forth in broad gauge our desires for the budget year.

This year we said to the various departments, tell us what your 100 percent budget would be with workload added, merit salary advances, and the price increases built in, and then tell us what you would cut out if we could only give you 95 percent of that money, and what you would cut out if we gave you 90 percent, or 85, or 80 percent. So a letter to that effect went out to the departments in August.

Now, the Department of Finance people go to work with most departments, particularly those under the agency secretaries, to help them arrive at price increases, at how much the merit salary increases will amount to, and what might be a workload increase. Then Finance takes a back seat for the next month or two as the departments are presenting their budget to the agency secretaries who go over them and attempt to whittle down the requests, which obviously always far exceed the available revenues.

Journal: Do the agency secretaries actually screen out some items or do they submit an independent judgment of some kind?

Orr: It depends a little on the secretary. One or two have brought to the cabinet two types of figures. One, the figures that the department would like and a superimposition on top of that of what the agency would recommend. In other cases, the agency secretary and the department head come to an agreement within the agency's office, and all that comes over to the cabinet is their agreed upon thinking. We don't have a routine — the agency secretary can do either. Sometimes he prefers to show both figures so that the cabinet has an idea of his different priorities from the department's.

Journal: And then what happens after the cabinet receives all the budget requests?

Orr: One of the things that is very little noticed but is actually the key to any budget is the revenue projection. We do a lot of talking about how much an agency or secretary or department can go up or down, but the whole thing is determined by how much revenue you are going to have, yet we glide over that very lightly. So while the budget preparation has been going, on, my revenue people strive to give me the very best possible revenue estimate so that we have a general ball park to play in.

Assuming now that this has been done and we have our revenue figure, we tell the cabinet roughly where we are going to go from last year — that we are going to go up or we are going to go down, that we have so much revenue, that the normal growth in the state will be so much. Then the cabinet starts in with that parameter in mind — that we have this much to work with. Every budget is based largely on the prior year. In other words, you already have a starting point, and that has to be, what you do last year?

Then we try to make an evaluation. Is it better, for example, to close a mental hospital and make some savings, if we have to make savings, or is it better to close state parks, or is it better to cut some athletic or vocational or adult education in corrections in order to keep the parks open? These all become value judgments as you weigh the last segments you can afford, assuming you can afford 80-90 percent of most departments' budgets. In that process the cabinet makes the basic decisions.

Then, after we have our decision, we outline it to the Governor, also showing him some of the key decisions we have made along the way, so that he isn't just presented with a figure and told to "sign here." We indicate that at this figure, this much will happen to the state — we will provide better care or less care, we will close a park, we will open a park, we will do this in agriculture or we will do something else.

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Journal: Is there any involvement of the Legislature at any step prior to the introduction of the budget bill?

Orr: No, there is not. As we close out a given department, as quickly as a given department's budget is absolutely firm, we try to give an advance indication to Legislative Analyst Alan Post on a confidential basis, so that he is not caught at the last moment with a completely horrendous workload in trying to comment on it. He is given some indication of the way we are going, with, of course, two provisions. One is that it's confidential, and the second is that if we change our mind, that is our privilege.

Hugo

But as far as the actual Legislature, the only way they fit in is that they have known interests. For example, if you are thinking of closing a facility in San Diego, it is apparent to everyone — the department, the secretary, the cabinet, and Finance — that you have legislators from San Diego who will be very, very interested in that, and this does carry some influence naturally.

Journal: Have there been proposals for greater involvement of the Legislature?

Orr: There was conversation upstairs last year about the Legislature preparing its own budget and submitting it to itself. It was more, I think, in the nature of conversation. That is the only involvement that I know of.

I, personally, think the present situation is satisfactory. You have to realize that with any director of Finance, something over 90 percent of his budget is accepted the way it is sent in. After all, the Legislature does not change the basic structure of the state very much. We are always going to have a park department and an agriculture department and a motor vehicles department, so what is involved is the top 5 to 8 percent possibly. The Legislature may take money out of parks and put it into agriculture, or it may cut both back or it may augment both. But I think the Legislature recognizes that 90 to 92 percent of all budgets is just the ongoing business of the state.

Journal: During the process that you spoke of earlier, how does a department head or administrator who has an idea about a program which is going to cost more money promote that idea? How does he get it heard?

Orr: This year we told department heads to present a 100 percent budget with the increments below if they couldn't get the money, and then, if they had some outstanding program not presently funded which they thought was worthy of cabinet's consideration, they could indicate an increase in their budget up to five percent more than their present level. And we received a great many augmentations because every worthwhile director sees areas in his field that he would like to see funded. If you are a park director, you could see the need for more parks; if you are the agricultural director, you can see the need for more study of the wooly whitefly or the grape leaf skeletonizer. That's the nature of the job. Unfortunately, in this year of great budget stringency, we were not able to give as much attention to the augmentations as we would like.

Journal: In reviewing these proposals, did you feel you first had to go up to 100 percent of the basic workload budget before you got any new programs?

Orr: There have been one or two occasions in which we looked at an augmentation in lieu of a basic item. Generally speaking, however, we looked at them as an addition to the present budget.

Journal: What changes, if any, are you making with regard to program budgeting?

Orr: We are not making any major changes. We use program budgeting extensively in the executive branch. But I have some personal reservations as to how valuable program budgeting is for the Legislature, and I think that if I were a legislator, I would have some problem with it.

Journal: Have you pretty much closed out most of the budgets now?

Orr: This has been, I think, one of the more difficult years, because the Governor has publicly stated his tremendous resolve to balance this budget if humanly possible without a tax increase, and yet we face the fact the current budget was not balanced by about $250 million. When you start to look for $250 million out of the monies that are available to the Governor to control, you have a difficult time. You see, our budget sounds like $6.5 billion, but $1 billion of that, in round figures, is gas tax money and about $2 billion of that is apportionments to local schools, much of which is fixed by the Constitution. Another $2 billion, roughly, is in Medi-Cal and Welfare, which we have tried to cut, but not always with success. Generally what the Governor has immediate control over is more nearly in the neighborhood of $1.8 billion. We must try to find a savings of $250 million out of $1.8 billion. It is a very difficult job.

Journal: Governors are prone to complain about this problem of the fixed part of their budgets, yet they are also prone to add to it every year. For example, hasn't the current administration added to it substantially in the form of tax relief?

Orr: That's very true. That's built into our budget at over $300 million now, and there is not very much we can do about it.

Journal: What kind of position would you be in if the Governor's tax program last year had passed, if you had no additional income from the start of withholding to look forward to?

Orr: I can't say, because at the moment we are not currently programming to use withholding to balance this year's budget. That doesn't mean we won't start tomorrow. We are not planning it and neither, I am very candid to say, have we yet arrived at a balanced budget.

Journal: Do you see any hope for meeting what local government officials, particularly school districts and county officials, see as a local financial crisis?

Orr: Not for school districts because, frankly, I have less sympathy for meeting the "crisis" in the school districts than I do in the cities. I think that our cities represent one of our very, very urgent needs. Their tax base is too low, it is not broad enough, and I think there are crises. I don't feel that way about schools. I

(Continued on next page)

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think there is a tremendous amount that schools can do to improve efficiency.

Let's talk about cities. Cities are on the forefront of the whole problem today in society of crime and ghettos, the need for police and enforcement, and better courts, and we give them miniscule resources to meet the problem. Now ideally, we would like to have revenue sharing just as we would like to get it from the federal government. But, more practically, I think the Legislature will need to address itself to finding a broader tax base for cities, and one of the fields which I think will have to be utilized further, with the help of the Legislature, is user fees.

For instance, I think we have come to a time when there may be a monthly sewer charge in every city. I laughingly told the League of California Cities two months ago that the time may come when you have a charge against the property for answering a fire alarm. And I don't mean by that, the fireman stands outside with his hose in his hand and waits until you pay him $400. But I do mean that almost every fire is the result of some sort of carelessness, so why should all taxpayers pay because some homeowner has been careless? The city could develop, for instance, a lien so that if it answers a fire at a given property it has a lien against either the property that is left or the land. This is a far-fetched example. But I am only indicating that I think cities will have to look toward user fees far more than they have.

Journal: How about the counties? Do you think they need additional aid also?

Orr: I guess I would have to say that at the moment, the only problem has been that they face irate property owners in raising the property tax, but they still have the right to raise it. For example, I come from Los Angeles County and they just figure what their budget is and then increase property taxes enough to meet it. There is no law that prevents them. The only thing is the outcry that comes from the fact that they pretty well have property taxes to the breaking point.

Journal: But if the state is to provide additional tax relief does it not have a strong interest in providing some sort of expenditure controls as were proposed last year? And if so, doesn't this run counter to what you said — the state telling people how they are going to spend their money and for what purposes?

Orr: I don't see that you are going to get any effective tax relief unless you, in some way, put a limitation on the county. We had Proposition 1-A three years ago which had a small amount of property tax relief in it, and I defy anybody to find it in his tax bill now. The only thing that happened was the individual got $70 or $75, or whatever it was, of tax relief, and then the assessor and the board of supervisors combined to raise his rate on his assessment so the next year's taxes were higher, and he wasn't even aware that we had relief.

Journal: As to the schools, you say you are not impressed with their demands. Is this in any way a consequence of the task force study?

Orr: The task force certainly is coming in with some indications there are economies to be made, but I think our whole school financing set-up needs overhaul before we talk about more money for schools.

For instance, you have the basic school tax and then you have up to 32 permissible tax overrides. A school district can easily get a tax override for a program which it may consider of relatively lower value, and once it has adopted it, whether it is adult education or any other, that money cannot be used for the basic education of the children. It must be used for the purpose of the tax override. So you have school districts with more money than they need in some programs and much less in others.

I think that we will have to come to the time when Sacramento stops telling the local board how it can best spend its money and it says instead, you may tax so much and out of that, if you think adult education is more important than music or band or athletics, that is your decision. You have to face those people every day on the street that you live in, and we think you are better qualified to do it than we are sitting up here 400 miles away.

Journal: Do you think the state can continue to any appreciable extent to provide tax relief, in effect giving up some of its revenues to local government, as it has done the last three years?

Orr: I don't think there is any point in continuing unless we in some way put a ceiling on what the counties do, and that is what I am saying. We are just putting our hand in the bucket and pulling it out, and there is no indent.

Journal: But even if it gets ironclad guarantees of expenditure controls, isn't the state still in a position of giving away its revenues?

Orr: Yes, but it has a much broader revenue base —corporation taxes, personal income taxes, sales taxes and the like—that I think probably the name of the game is for us to relieve the counties and cities of some of their burden and take it on a broader base.

Journal: Last year, Alan Post, as you know, described the revenue estimates as a "house of cards built on a base of sand" . . .

Orr: That was a description of the full budget, not just the revenue.

Journal: Is there anything that can be done to improve revenue estimates, or were we victims of special circumstances?

Orr: I didn't interpret Alan's comment as being a complaint about our revenue estimates. Actually, last year we made three revenue estimates because it was difficult to know at the time—and I guess it still is a little difficult to know—whether inflation was going to take the upper hand of recession. We made one estimate at each of the two extremes, in a sense, and then a middle ground which we chose. Now it turned out that the recession was greater than the inflation and the lower estimate was much closer to what happened. But I don't feel our revenue estimates are that far off.

You see, we are trying to get a revenue estimate that doesn't start until July 1st of next year and then goes around for 12 months. I think the staff does a reasonably good job to come as close as they do. I am glad if we can balance the budget and then find they have come in too conseravtively. Then all I have is a little more surplus. But when they come in reasonably close to where they think it is going to be, and it falls, and we have budgeted every penny of the amount they thought would come in, we are in trouble.

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Reagan Administration Confirms 1970-71 Deficit, Announces Counter-Measures

Last June, four days after the primary election, Verne Orr, State Director of Finance, appeared before the Legislature's fiscal committees to tell them that the budget which the Governor had submitted to them, and which they were then about to pass, was $141 million out of balance. By a series of expenditure cuts and fund shifts, the Legislature eventually passed what it thought to be a balanced budget. Nevertheless, only five months later, on November 30th, Governor Reagan called a special assembly of state executives and the press to tell them that this same budget was again faced with a substantial deficit, this time in the amount of $150 million.

On both occasions, the administration blamed the deficit on an unanticipated decline in state tax revenues and a sharp increase in welfare and Medi-Cal costs. Revenue estimates were reported to be off by $71 million in June and an additional $60 million in November. Welfare and Medi-Cal costs were reported to be exceeding estimates by $70 million in June and an additional $90 million in November. On both occasions, the administration strongly emphasized what it termed the "runaway costs" of welfare and Medi-Cal.

Having informed his executives of the new deficit, Governor Reagan called upon them to join him in rejecting "the obvious and easy answer" of increasing taxes to meet that deficit. Instead, he said, it was "our opportunity" to prove that the cost of government can be cut down and that many of the responsibilities which have been taken on by government can be turned back to the people. "Frankly," he said, "I look upon the present fiscal situation as an opportunity. We intend to continue the fight for reform until welfare excesses are curbed and we end this chronic budget squeeze."

Cost Cutbacks

To bring state expenditures into line with estimated revenues, Orr announced the "first of a series of steps" to cut General Fund costs: all state hiring to fill non-emergency vacancies was stopped; all capital outlay projects for which contracts had not been let were frozen; the purchase of new equipment for General Fund agencies was halted; there would be no new contracts with private firms for management studies and equipment rental; and out-of-state travel by state employees was sharply curtailed.

According to Orr, these first steps, taken together, can be expected to cut expenditures by one-third of the $150 million deficit. Others outside the administration, however, have expressed doubts that these actions will save much more than $40 million for the state's General Fund. Moreover, they simply postpone many costs, especially the $30 million "saved" by halting construction or by shifting to bond funds.

On December 2nd, the administration announced two more significant cost-cutting steps: as of December 15th, Medi-Cal services were limited to "medically necessary" services, and all payments to doctors, dentists, and almost all other providers of health care services, excluding hospitalization, were reduced by 10 percent for the balance of the year. These cuts are intended to reduce Medi-Cal expenditures by a total of $140 million, of which half, or $70 million, is state cost — the amount by which Medi-Cal expenses were said to be exceeding the last budget estimates. The ten percent reduction in payments to providers is expected to save $12 million, while the elimination of "non-essential" services is to produce a state savings of $58 million.

Non-Essential Services

In announcing these cuts, the Director of the Department of Health Care Services (Medi-Cal), Dr. Earl W. Brian, pointed out that a 1968 state law requires that in the event of a deficit in Medi-Cal funds, fee payments and "non-essential" services are to be reduced before there is any cut in essential services.

"Although the average cost per recipient is down this year for the first time in the Medi-Cal program's history," Brian said, "we have a fixed budget and a soaring welfare patient caseload. By state law, I must delay elective health care services and reduce payments to those who provide them." Brian reported that according to the latest estimates, approximately 283,000 more persons are now eligible for Medi-Cal than were expected in the Governor's original budget.

"Welfare and its voracious accomplice — Medi-Cal — have dragged California to the brink of fiscal disaster."

Lucian B. Vandegrift

Although Brian indicated that, in general, any service which can be delayed 90 days will be ruled non-essential, there are in fact no firm guidelines as to what are essential and what are non-essential services. Brian emphasized, however, that all emergency and "medically essential" care within the schedule of 23 services provided by Medi-Cal will be continued. He also stressed that the cut in non-essential services was an emergency action pending a general overhaul of the Medi-Cal system, which the administration has been promising for some time.

Opposition Charges

Whatever the administration's intentions, its actions brought an immediate outcry from medical personnel and associations up and down the state. Leaders of the California Medical Association, the California Pharmaceutical Association, and the California Dental Association joined in charging the cuts would "further emasculate this one-compassionate program" and would be a "crippling blow" to health care under the Medi-Cal program.

Some of the strongest objections came from representatives of the California Association of Nursing Homes who said that the reductions in patient care rates would drive many nursing home operators "down

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Legislature Faces Reapportionment Showdown

On March 26, 1962, in the case of *Baker v. Carr*, the United States Supreme Court initiated what has been called the "reapportionment revolution," a cascade of court challenges, special legislative sessions, new election laws, court guidelines, and political change aimed at bringing our whole system of representation closer to the ideal of "one man, one vote." In November of 1972, a little over ten years later, the revolution as it applies to California will probably reach its conclusion. In that first general election after the 1971 reapportionment, the State Senate and Assembly and the new 43-member California congressional delegation will be chosen from districts which will be very close to equal in population.

The new test of district equality most recently enunciated by the U.S. Supreme Court, in decisions which rejected reapportionment plans in Missouri and New York, will almost certainly require California legislators to create districts that deviate very little from the average size for all districts of each type. In 1967, a five percent standard of deviation was utilized in the congressional reapportionment, but in 1971 almost exact equality appears necessary to satisfy the courts.

For the first time California's congressional seats will be smaller in population than its State Senate districts. Each California Congressman will represent just short of 470,000 voters, each state Senator about 500,000, and each Assemblyman 250,000.

Unlike 1967, when a bipartisan or "incumbents' " reapportionment was conducted with the complete agreement of all concerned, the atmosphere will be quite different this session. With the political stakes higher and the court strictures tighter, the task of line drawing which has fallen to the Democrats will have to be elevated to a fine art, complete with the involvement of the more sophisticated computer software needed to manipulate a demographic and political data base. For the Democratic legislative leadership, reapportionment clearly presents the major challenge of the 1971 session. The future prospects of their party in California and the make-up of the new Congress depend upon the outcome.

Suburban Growth

Along with the party's happiness at gaining legislative control, however, has come a fear of change which is based on the realization that the state's population growth has occurred in the normally Republican suburbs and that this growth must be exactly mirrored in any reapportionment plan. Although a GOP-dominated plan would certainly have meant disaster for them, many Democrats are uncertain whether their party can maintain its present majority ratios in the Legislature and in the congressional delegation even drawing the lines themselves.

One party aide expressed an opinion increasingly held by the party's political experts. "Given a choice between keeping the current legislative district lines and conducting a reapportionment we control," he said, "I would still choose keeping the existing lines."

GROWTH RATE OF COUNTIES WITH 1970 POPULATION OF 50,000 OR MORE

Counties	1970 Population*	1960 Population	% Change 1960-70
Orange	1,409,335	703,925	100.2
Ventura	374,410	199,138	88.0
Santa Clara	1,057,432	642,315	64.6
Santa Barbara	260,299	168,962	54.1
Riverside	449,878	306,191	46.9
Santa Cruz	120,882	84,219	43.5
Marin	204,046	146,820	39.0
Yolo	90,794	65,727	38.1
Sonoma	199,360	147,375	35.3
Contra Costa	551,456	409,030	34.8
Placer	76,218	56,998	33.7
San Bernardino	672,163	503,591	33.5
Shasta	77,123	59,468	29.7
San Luis Obispo	105,019	81,044	29.6
Kings	64,510	49,954	29.1
San Diego	1,318,022	1,033,011	27.6
Sacramento	636,137	502,778	26.5
Monterey	248,831	198,351	25.4
THE STATE	19,715,490	15,717,204	25.4
Butte	100,890	82,030	23.0
Solano	164,513	134,597	22.2
Stanislaus	191,679	157,294	21.9
Napa	76,819	65,890	16.9
Alameda	1,059,051	908,209	16.6
Los Angeles	6,974,103	6,038,771	15.5
Merced	104,360	90,446	15.4
San Joaquin	284,506	249,989	13.8
Kern	325,090	291,984	11.3
Tulare	185,016	168,403	9.9
Imperial	73,447	72,105	1.9
San Francisco	704,217	740,316	—4.9
Humboldt	98,120	104,892	—6.5

*Preliminary figures
SOURCE: U.S. Census Bureau

The recently reported census figures (see page 345) indicate that the state as a whole has grown by about 25 percent since 1960's census, but Republican Orange County has grown by four times that, or 100 percent. Ventura, Santa Clara, San Bernardino, Riverside, and Marin have also grown significantly faster than the state's average, and all are increasingly populated by the suburban voter.

Orange County can expect to receive one more congressional seat. Currently, it shares four seats, three with Los Angeles County and one with San Diego County. Only two representatives reside in the county — Democrat Richard Hanna and Republican John Schmitz. Both have a majority of their constituency resident there as well. In 1972, three full congressional seats can be included within the county's boundaries, opening an additional seat, probably in the middle of the county, to a newcomer.

Preliminary figures also indicate that one new state senatorial district and two new Assembly seats can be fashioned for Orange County, while two existing seats — one Senate and one Assembly — will gain increased proportions of Orange County residents.

Democrats might be expected to gain one of the new total of three Senate seats and perhaps one more Assembly seat, but both these gains are doubtful, and

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more likely they will have to be content to hold the 69th Assembly District, represented by Ken Cory, and Congressman Hanna's 34th congressional seat.

To the north, Santa Clara County's burgeoning population will enable it to increase its representation as well. Currently, the county shares two congressmen with three neighboring counties, has one state senator to itself while sharing another, and has three assemblymen. Best estimates are that Santa Clara will receive an additional seat in Congress while maintaining its pre-eminence in the other two, which it will continue to share. One new Assembly district will fall within county boundaries and the two state Senate seats which it shares may also move entirely within the Santa Clara County lines. A report printed in the *San Jose Mercury*, however, indicates that Rep. Pete McCloskey may find himself moved south into Santa Clara so that a new Democratic seat can be created in northern San Mateo county.

Other Seats

The other three congressional seats allocated to California will be centered in the south. It now appears that Riverside County will have its own representative. Imperial County, which has been paired with Riverside in the past, may find itself sharing a congressman with San Diego County, with which it now shares a state senator. With the addition of Imperial County, San Diego will then dominate three congressional districts rather than the two it presently controls.

San Bernardino County, which currently has one congressman to itself while sharing two others with Los Angeles and Riverside counties, can expect to share only one seat with Los Angeles County. It should be more influential in that district, however, thereby increasing its congressional power.

Along the coast, Ventura County will gain increased representation. It is possible that western county residents will find themselves in a district with Santa Barbara County and southern portions of San Luis Obispo County. Eastern Ventura may then be expected to be joined with larger portions of western Los Angeles County to make up the existing 13th District.

Few areas throughout the state will actually suffer any significant reduction in representation. The inner city areas will tend to lose strength, however. For example, San Francisco, which already shares a portion of one of its two seats with Marin County, will have to split that one seat evenly with its northern suburb.

In Los Angeles County, central districts will grow in territory to pick up the additional population needed to retain their identities. Suburban districts will grow proportionately smaller, shedding some of their more recently acquired citizenry. While this may be accomplished with relatively little "blood-letting" among the incumbent congressmen, minority groups, anxious to elect new representatives of their own, may be discouraged by the difficult task ahead of them.

Inner City Districts

For example, Congressman Hawkins' heavily black 21st District will be required to add close to 70,000 new residents from territory where a new black district might be created. To the north of the 21st Congressional District, Representative Ed Roybal will be asked to add nearly 80,000 new citizens to his 30th District. To make matters more difficult for aspiring minority candidates, seven other inner city districts in Los Angeles will need to gain additional population, thus creating a "ripple" effect out into the suburbs that will tend to submerge portions of various ethnic communities by combining them with the outlying areas.

POPULATION OF CONGRESSIONAL DISTRICTS: 1970 and 1960

(Minus sign denotes decrease)

State Congressional Districts	1970 Population*	1960 Population	Percent Change 1960-70	Pop. as % of ideal figure, assuming 43 Districts
35th Schmitz (R)	854,876	433,357	+97.3	186%
13th Teague (R)	693,731	393,199	+76.4	151%
10th Gubser (R)	659,858	393,962	+67.5	144%
9th Edwards (D)	651,916	401,528	+62.4	142%
25th Wiggins (R)	651,821	432,872	+50.6	142%
34th Hanna (D)	642,068	405,708	+58.3	140%
38th Veysey (R)	591,349	434,447	+36.1	129%
36th Wilson (R)	570,844	445,231	+28.2	125%
27th Goldwater (R)	570,322	429,113	+32.9	124%
33rd Pettis (R)	558,969	415,898	+34.4	122%
14th Waldie (D)	551,456	409,030	+34.8	120%
28th Bell (R)	543,633	433,851	+25.3	119%
12th Talcott (R)	539,242	413,568	+30.4	118%
2nd Johnson (D)	537,370	446,974	+20.2	117%
11th McCloskey (R)	533,659	428,808	+24.5	116%
4th Leggett (D)	516,924	394,538	+31.0	113%
24th Rousellot (R)	509,785	403,011	+26.5	111%
3rd Moss (D)	508,455	418,909	+21.4	111%
15th McFall (D)	502,123	431,027	+16.5	110%
17th Anderson (D)	501,238	388,605	+29.0	109%
22nd Corman (D)	496,274	428,340	+15.9	108%
16th Sisk (D)	485,470	432,647	+12.2	106%
19th Holifield (D)	483,945	408,642	+18.4	106%
1st Clausen (R)	482,447	412,682	+16.9	105%
18th Mathias (R)	466,683	423,710	+10.1	102%
IDEAL SIZE	468,500	413,610	+25.4	100%
37th Van Deerlin (D)	455,507	395,924	+15.0	99%
20th Smith (R)	455,387	409,696	+11.2	99%
29th Danielson (D)	451,900	404,791	+11.6	99%
8th Miller (D)	449,670	389,767	+15.4	98%
6th Mailliard (R)	448,946	428,205	+ 4.8	98%
23rd Clawson (R)	438,117	390,585	+12.2	96%
26th Rees (D)	437,822	419,392	+ 4.4	95%
31st Wilson (D)	425,267	403,930	+ 5.3	93%
5th Burton (D)	416,113	433,236	− 4.0	91%
21st Hawkins (D)	398,649	401,094	− 0.6	87%
30th Roybal (D)	395,460	390,843	+ 1.2	86%
7th Dellums (D)	390,078	396,242	− 1.6	85%

*Preliminary figures

SOURCE: U.S. Census Bureau & Assembly Committee on Elections and Constitutional Amendments

The task of rearranging the Senate and Assembly district lines will be a more difficult and subtle operation. The cushion of five new seats which makes the realignment of congressional boundaries simpler will not be available to assist in the process of changing legislative lines. And while the reapportionment of 1965 removed the inequalities of urban and rural representation that had existed — particularly in the State Senate — prior to that time, the uneven population growth of the state will be reflected in some significant changes.

No hard census data has yet been gathered on the basis of Senate and Assembly districts. That task may not be undertaken until the end of January when early census tract figures are available to the legislative committee staffs in both houses. County census

(Continued on next page)

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REAPPORTIONMENT *(from previous page)*

figures, however, do permit some estimates as to the impact of suburban growth on the make-up of the Legislature.

In addition to the growth in the delegations from Orange and Santa Clara counties noted previously, other suburban areas will tend to benefit from a general increase in influence within their districts, even if they do not receive entirely new seats. More highly urbanized counties will tend to lose majority control of some of their present districts even when they continue to be represented in part by those districts.

Seats Lost

In the Bay Area, San Francisco and Alameda counties will each lose one assemblyman. Currently, San Francisco is represented by four Democrats and Alameda by five. Thus, it is imperative that the Democrats win the new seat in Santa Clara if they are to hold their potential net loss in the Bay Area to one seat.

In southern California, the 31-member Los Angeles County Assembly delegation may be cut to 28 unless a number of districts are positioned across county boundary lines, thus allowing Los Angeles to share representation with surrounding counties.

Following the pattern of population growth, Ventura, Riverside, and San Bernardino counties will all increase their share of existing Assembly and Senate districts. Eastern Ventura County may share an Assembly seat equally with Los Angeles County's northwestern area, while the western half of the county makes up a district by itself. Santa Barbara will be able to support its own Assembly district. San Bernardino County will fall just short of having three assemblymen.

Senate district realignment probably will not be as evident. Current population figures do not appear to justify an abrupt shift. Instead, most districts will undergo alterations around their fringes, trading small chunks of territory. One key question remains unanswered, however. San Francisco and Alameda currently elect two senators at large in districts of twice the population of other districts. A decision to elect senators from individual districts in those areas might strengthen suburban forces in Alameda, allowing the GOP to make a come-back. For its part, San Francisco is probably no longer large enough in population to support two senators.

Time to Speculate

No reapportionment plan can be constructed around an individual district. Every piece of the total puzzle must fit before any plan can be pronounced complete. As a result, it is idle speculation to predict at this point what geography will be tied together to form each of the three plans. With the need to protect the integrity of city and county boundaries a thing of the past, however, it will be far easier to develop districts that bear little resemblance to past plans.

And while population shifts seem to favor the GOP, Democratic draftsmen may find that the new freedom to ignore old political and geographic boundaries will give them the flexibility they need to protect their slim legislative majorities. Their skill and creativity in accomplishing this delicate task will be sorely tested.

DEFICIT *(Continued from page 341)*

the drain" financially if they continued to accept Medi-Cal patients. Following up on this charge, members of the association's house of delegates voted to notify the state on January 1st that as of February 1st they will refuse to accept new Medi-Cal patients until a new rate agreement is worked out.

Defending the Cuts

In reply to these charges, Governor Reagan stated that it was only the leaders of the professional associations who were making such attacks, not the medical practitioners themselves. Other members of the administration attempted to build support for the administration's actions by lashing out repeatedly at rising costs and caseloads for welfare and Medi-Cal.

Addressing a Republican Women's Club, Human Relations Agency chief Lucian B. Vandegrift summarized the administration's view, saying "welfare has grown monstrously, but Medi-Cal has expanded even more grotesquely." When challenged in a Los Angeles television interview with the fact that his administration has been making similar charges ever since taking office four years ago, Governor Reagan countered that he had been blocked from taking constructive action by the courts, federally financed legal aid groups, and a "bureaucracy here and in Washington seeking to undermine what we are trying to do."

Critics of the Reagan administration have also charged that the growing deficit in the Medi-Cal budget was obvious long before it was announced. A report carried in the *Sacramento Bee* suggested that the administration either blundered seriously in its budget estimates or purposely ignored and tried to cover over fiscal facts which were clear last June.

Legislative Analyst A. Alan Post, testifying before a joint hearing of the Assembly Revenue and Taxation Committee and Local Government Committee, stated that the reports his staff had received from Medi-Cal administrators had covered up the developing deficit. Although it was not clear from his testimony whether he was accusing Brian and the administration of purposely concealing the problem until after the November elections, it was obvious that Post felt his office had been deceived and that Brian should have learned of and reported the mounting deficit much earlier in the fall.

Additional Cuts Coming

Whatever the immediate outcome of this fight, the Reagan administration must take additional steps if it is to close the current budget gap. The expenditure freezes can be expected to yield savings of $40-$50 million and the Medi-Cal cuts a savings of $70 million, but this still leaves a gap of $30-$40 million to be closed before June 30, 1971.

Although Finance Director Orr has promised "no mass lay-offs," he has also warned that he has not said there will be no lay-offs at all. It appears reasonably certain, in fact, that the administration will have to give serious thought to direct cuts early in the new year. It is also probable that the administration will attempt to reduce welfare spending by an amount sufficient to make up the $20 million deficit in the present welfare budget.

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State Population Growth Slows • *by Water P. Hollmann*

Although the 1970 census was completed many months ago, the final results have only just begun to be released. As required by law, George Hay Brown, the U.S. Census Director, announced to President Nixon on December 1st that the population of the United States was 204,765,770 on April 1, 1970. Of this number, 20,098,863, or nearly one in ten, were Californians. It is this figure — the "apportionment population" — upon which our claim to five additional congressional seats is based.

For the present, we know only the sum of the populations of California's 58 counties, but not the figures for each county. This sum, 19,953,134, is 145,729 less than the apportionment figure cited above. The difference represents the number of Californians who have not been or cannot be allocated to a place within the state. For all administrative purposes (budgeting, planning, and research), however, it is this 19.9 million figure which is important and which is to be compared with the figure of 15,717,204 for April 1, 1960, which it exceeds by 27 percent.

The new official census count has enabled the demographers in the Department of Finance to re-examine their work of the past decade and, for the benefit of trend followers in and out of state service, to revise their figures for the intervening years. The figures in Table 1 present new estimates of the annual growth of the state over the past decade, along with the major components of that growth.

The most dramatic behavior can be seen in the net migration column where an annual growth estimate of 356,000 for 1963 dwindled to the 27,000 provisionally estimated for fiscal 1970. Natural increase, by contrast, seems to be less subject to wide variations. Estimates of this component of change can be made with considerable assurance, since births and death by residence of mother and decedent are a matter of record and subject to few inaccuracies.

Table 1. ESTIMATED COMPONENTS OF CHANGE IN CALIFORNIA'S CIVILIAN POPULATION, 1960 to 1972

Year (July 1)	Civilian Population	Net change	Net migration	Natural increase	Loss to military
Estimated:					
1960	15,567,000	—	—	—	—
1961	16,076,000	509,000	259,000	244,000	+ 6,000
1962	16,598,000	522,000	302,000	240,000	−20,000
1963	17,197,000	599,000	356,000	234,000	+ 9,000
1964	17,713,000	516,000	315,000	230,000	−29,000
1965	18,181,000	468,000	263,000	217,000	−12,000
1966	18,498,000	317,000	180,000	185,000	−48,000
1967	18,869,000	371,000	232,000	184,000	−45,000
1968	19,145,000	276,000	128,000	176,000	−28,000
1969	19,456,000	311,000	121,000	185,000	+ 5,000
1970	19,700,000	244,000	27,000	187,000	+30,000
Projected:					
1971	19,935,000	235,000	25,000	190,000	+20,000
1972	20,170,000	235,000	25,000	195,000	+15,000

The "loss to military" component of civilian population change represents changes in the civilian population incident to persons entering and leaving active duty with the armed forces. A negative figure indicates a loss, i.e., the number entering military service in excess of those being released. These numbers reveal, among other things, the effects of the increase in military needs at the time of the Vietnam build-up and the subsequent disengagement which is expected to result in a substantial 30,000 returnees to civilian life in fiscal 1970.

In Table 2, the military population stationed in California has been added to the civilian to produce a total population, with annual changes expressed as percentages. The miiltary population of the United States increases and decreases in response to the same decisions that affect the "loss to military" of the civilian population. But because California has a unique military assignment, e.g., important naval installations and training facilities for all services, the changes in the military population do not necessarily conform to the net gains from and losses to the civilian population incident to leaving and entering military life.

The entries for 1971 and 1972 in the tables represent a current look into the near future. Reading from right to left in Table 1, substantial net returns from military life are anticipated in response to the President's recent statements on reduction in the size of the armed services. The natural increase figures represent a continued rise in the expected number of births, as the successively larger age groups, born in the late forties and early fifties, swell the ranks of the young marrieds.

Table 2. ESTIMATED TOTAL POPULATION OF CALIFORNIA 1960 to 1972

Year (July 1)	Total Population	Annual Change	
		Number	Percent
Estimated:			
1960	15,863,000	—	—
1961	16,366,000	503,000	3.2
1962	16,905,000	539,000	3.3
1963	17,517,000	612,000	3.6
1964	18,020,000	503,000	2.9
1965	18,490,000	470,000	2.6
1966	18,850,000	360,000	1.9
1967	19,232,000	382,000	2.0
1968	19,506,000	274,000	1.4
1969	19,817,000	311,000	1.6
1970	20,003,000	186,000	0.9
Projected:			
1971	20,218,000	215,000	1.1
1972	20,438,000	220,000	1.1

The economic outlook at this time does not encourage the belief that we will experience net migration this year and next above the level of last year.

There is still much to be done before the entire wealth of the 1970 census has been mined. Current estimates of changes in the age and sex composition are still derived from computer models which take off from the census of 1960. There is almost no recent information on the racial and ethnic composition of the state's population and that most critical of demographic needs, the composition of the migrant population.

Mr. Hollmann is Chief of Population Research in the Department of Finance.

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Proposition 18 Campaign Spending Controversy Continues

The opponents of Proposition 18, California's "clean air amendment," spent a total of $348,785 to defeat the measure on November 3rd, according to the final financial report filed with the Secretary of State. In doing so they outspent by 22 to 1 the supporters of Proposition 18, whose final statement showed a total of only $15,275. But they may also have touched off a major effort to reform the manner in which campaign spending is reported, for interspersed in the list of the opposition's contributions were two anonymous donations of $30,000 and $25,000 and two more of $20,000 each, for a total of $95,000. Such a large sum of money contributed anonymously to a campaign is unprecedented.

CONTRIBUTIONS OF $1000 AND OVER TO CALIFORNIANS AGAINST STREET AND ROAD TAX TRAP

So. Calif. Auto Club	13,000	San Diego Rock Products	5,000
Calif. State Auto Ass'n	11,000	So. Cal. Rock Product Ass'n	2,500
Auto Club So. Calif.	9,000	Internat'l Union Operating Engineers — L.A.	1,000
Texaco Inc.	20,000	Interinsurance Bureau	10,000
Standard Oil of Calif.	30,000	Interinsurance Bureau San Francisco	2,000
Shell Oil Co.	50,000	Calif. Asphalt	1,000
Union Oil of Calif.	20,000	Sully Miller Co.	15,000
Sun Oil Co.	2,000	Custom Farm Service	2,000
Douglas Oil	5,000	Pacific Motor Trucking Co.	1,000
Phillips Oil	15,000	Highway-Heavy Chapter E.G.C.A.	1,000
Humble Oil	12,000	Anonymous (Mobil Oil Co.)	30,000
Standard Oil of Indiana	5,000	Anonymous	25,000
Getty Oil Co.	5,000	Anonymous	20,000
Marathon Oil Co.	1,000	Anonymous	20,000
Calif. Trucking Ass'n	5,000	Miscellaneous	6,785
Boise Cascade Corp.	1,000	TOTAL	$348,785
Internat'l Union Operating Engineers — S.F.	2,500		

Needless to say, these contributions have infuriated proponents of the "clean air amendment" who assert that the public has the right to know what interests were opposing Proposition 18. Senator James Mills, co-author of Proposition 18, called it an "astonishingly dishonest conclusion to an astonishingly dishonest campaign. No one slips $95,000 under the door in a plain brown envelope," he says. "No one receives that much money from so few people anonymously. They have to know where it came from."

A subsequent statement by Mobil Oil Co. that it contributed $30,000 of the anonymous gifts but with no intent to hide its role, has done little to placate critics. Senator Mills has charged that the opposition group, Californians Against Street and Road Tax Trap, may have acted illegally in accepting and reporting the anonymous gifts. "The committee is required by law to make reasonable efforts to identify campaign donors," he says. "If they do not, it is a violation of the Elections Code."

Several Alleged Violations

The new Secretary of State, Edmund G. Brown, Jr., believes the opponents of Proposition 18 violated the Code several times. First, he says, Section 11831 of the Elections Code requires that all reports, receipts, and expenditures must be verified by the person who signs the report, stating "under penalty of perjury" that the financial statements are true. Brown claims that Arch Brookhouser, Sr., treasurer for the Californians Against Street and Road Tax Trap, did not verify his statement when he wrote: "We are submitting herewith a statement in connection with the campaign for "NO" on Proposition 18."

The second legal requirement which Brown feels was clearly violated is Section 11832 of the Elections Code which states that the donor's name and address is required for any contribution over $25. Brown has noted that no addresses were listed for any of the contributions. He has also stated that the four anonymous donors may have violated another Election Code section which requires any association, person or group, public or private, which expends or collects more than $1,000 to influence the public, to file its own report within thirty days.

The Secretary of State-elect claims the opponents of Proposition 18 also failed to list their expenditures correctly. Listing a lump sum of $131,576.21 paid to M. J. Kramer and Associates for advertising and administrative expenses and $1,626 to Thorpe, Sullivan, Clinnan and Workman for legal fees, the Californians Against Street and Road Tax Trap may have overlooked the fact that each expenditure of more than $10 must be listed separately. If these two companies were given the money outright to run the campaign, then they must file their own report, according to Brown. So far this has not been done.

Having enumerated these violations of the Elections Code, Brown observed that such violations may be punished with up to one year of imprisonment or a $1,000 fine. Brown says he has asked Sacramento's District Attorney to investigate these possible violations.

According to the staff of the Secretary of Sttae's office, these anonymous donations are simply proof that the Elections Code is unenforceable in this regard. Robert T. Denny, Elections Assistant to the Secretary of State, said "We accept anything that is filed. We have no policing power whatsoever. We have no staff or money to police it anyway. We can only refuse to accept reports if they are not properly signed."

The new Secretary of State says he disagrees with the supposed weakness of the Election Code and with the present policy of the Secretary of State's office. In his view it is "naive to think tougher laws will make any difference. The law is there if you are willing to take the energy to make it work." Accordingly, he plans to add two new deputies to screen campaign reports. The office, he says, will "refuse to file them if they deviate from the law. We have no obligation to file them. This will force a re-examination of the report on the part of the people who submit it."

Mills Blasts Opposition

Following the report of the $95,000 in anonymous donations, there has been much speculation as to whom the donors might be. The largest identified contributors to the opposition's campaign were oil companies, which gave $165,000; the second largest were the auto clubs, which gave $33,000. "The thought that it is automobile industry money or more automobile club money is possible," observed Senator Mills, "but I

(Continued on page 348)

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1970 Campaign Costs Pass $26 Million Mark

California politicians have reported spending almost $26 million winning and losing in 1970's state and congressional elections. By the time all the candidates have reported their expenses as required by the state's election code, which provides that statements of contributions and expenditures are to be filed with the Secretary of State by December 8th, the figure will certainly exceed $26 million. Experienced political observers believe that amount to be the highest in the state's history. And, of course, it is common knowledge that some candidates do not report all contributions.

EXPENDITURES OF POLITICAL CANDIDATES FOR PUBLIC OFFICE — 1970*

	Primary	General	Totals
Statewide	$3,636,438	$5,740,430	$9,376,868
U.S. Senate	3,719,436	3,552,508	7,271,944
House of Reps.	1,384,696	1,826,164	3,210,860
State Senate	554,939	1,215,008	1,769,947
Assembly	1,406,278	2,558,278	3,964,556
Bd. of Equal.	111,324	184,923	296,247
	$10,813,111	$15,077,311	$25,890,422

*Incomplete

Four years ago $7.7 million was spent in the primary and general campaigns by the general election candidates for the seven statewide offices (excluding U.S. Senator). In 1970, candidates for the same seven offices spent $8.2 million in the primary and general campaigns, while Tunney and Murphy spent an additional $4.7 million for their campaigns.

Governor Ronald Reagan, who spent $3.5 million in the primary and general elections, accounted for about 20 percent of the money paid out by statewide and U.S. Senate candidates, although a portion of this money helped support other "Team '70" candidates.

PRIMARY AND GENERAL ELECTION CAMPAIGN EXPENDITURES FOR STATEWIDE OFFICE IN 1970

	Dollars Spent	Votes Received	Dollars Per General Election Vote
Governor			
REAGAN	$3,560,549	3,382,203	$1.05
Unruh	1,207,684	2,878,896	.42
U.S. Senate			
TUNNEY	2,236,360	3,425,984	.65
Murphy	2,493,611	2,828,127	.88
Lt. Gov.			
REINECKE	328,621	3,461,512	.09
Alquist	88,343	2,663,413	.03
Sec. of State			
BROWN	230,723	3,163,857	.07
Flournoy	78,332	2,873,436	.03
Controller			
FLOURNOY	188,654	3,712,460	.05
Cameron	49,299	2,294,430	.02
Treasurer			
PRIES	134,494	3,626,102	.03
Gordon	48,666	2,467,654	.02
Attorney General			
O'Brien	388,902	2,994,042	.13
YOUNGER	910,304	3,084,300	.30
Supt. of Public Instruction			
Rafferty	371,316	2,716,369	.14
RILES	609,557	3,195,555	.22

SOURCE: Office of the Secretary of State

Senator George Murphy spent about $2.5 million in his race with Representative John V. Tunney. Tunney followed Murphy closely with a total expenditure of $2.2 million. Financier Norton Simon spent about $2 million in the U.S. Senate Republican primary election alone, of which $1.4 million came from Simon's own pocket.

Unruh Fourth

Assemblyman Jess Unruh spent a little more than one-third of the amount credited to the Governor's "Team '70" campaign. Unruh's $1.2 million effort exceeded the amount spent by Republican Attorney General candidate Evelle Younger by only $300,000.

Many candidates for the House of Representatives and the state Legislature also spent unusually large sums of money during the campaign year, and an unprecedented number of campaigns went over the $100,000 mark in terms of the total expenditures of both major candidates. Few better measures can be found of the priorities of both parties in key legislative races than a ranking based on their total expenditures.

Senate Costs

Contests for the state Senate generally were more expensive than the Assembly, largely because of the greater size and population of the districts. Twenty-five percent of the state Senate races involved expenditures of over $100,000. Another quarter of the Senate races cost both candidates $50,000 or more in total.

In San Diego County, the battle between State Senator James Mills and Supervisor Henry Boney generated $245,000 worth of business for local media and public relations concerns during the spring and fall. Boney, a Republican, spent $135,000 in gaining only 32 percent of the vote. The only other candidate for the state Legislature who reported a greater expenditure, Republican Lewis Sherman of Berkeley, spent $140,000. His district was twice the size of the average Senate seat, however.

The five contests for which the highest costs were reported were:

MILLS (D)	$108,928	**Zenovich (D)**	$ 82,371
Boney (R)	135,180	Smittcamp (R)	83,200
	$244,108		$165,571
SHERMAN (R)	$139,634	**STIERN (D)**	$ 62,886
Holmdahl (D)	30,842	Park (R)	67,334
	$170,476		$130,220
Peevey (D)	$ 49,247		
Behr (R)	118,497		
	$167,744		

On the Assembly side of the ledger, Don Mulford of Piedmont, led the expenditures battle. However, his $120,000 failed to suffice in his race with challenger Ken Meade of Oakland. Meade spent half the amount Mulford did in winning by 13,000 votes.

Altogether, there were eight Assembly contests in which major candidates spent a total amount in excess of $100,000:

(Continued on next page)

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SPENDING *(Continued from previous page)*

MULFORD (R)	$120,478	**MacGILLIVRAY (R)**	$ 57,832
Meade (D)	51,375	Palmer (D	58,066
	$171,853		$115,898
ARKLIN (R)	$ 88,524	**CORY (D)**	$ 32,082
Keysor (D)	54,568	Nestande (R)	77,325
	$143,092		$109,407
BERRYHILL (R)	$ 94,388	CRANDALL (R	$ 68,155
LaCoste (D)	46,877	**McAlister (D)**	40,239
	$141,265		$108,394
KARABIAN (D)	$ 89,858	Camaroda (D)	$ 41,185
Decker (R)	49,515	**Maddy (R)**	60,672
	$139,373		$101,857

Two other close races which have not yet been reported may also have reached similar spending proportions. The Chacon-Hom contest in San Diego and the MacDonald-Siple battle in Ventura County were both crucial in the fight for legislative control and therefore attracted large party contributions.

Cost-Per-Vote

Although the voting population and physical characteristics of districts vary greatly and affect the amount of money needed to campaign successfully, one measure for determining which candidates got the most for their money is the cost-per-vote. For example, State Senator-elect John Holmdahl of Oakland spent only $31,000 in the primary and general campaigns in collecting 156,000 votes. His victory cost him about 19¢ per vote. On the other hand, San Diego Supervisor Boney's defeat turned out to be extremely expensive: each general election vote cost him $4.09.

The most expensive Assembly victory on a cost-per-vote basis was won by Assemblyman Walter Karabian, who in fighting off a determined opponent spent $2.54 in the primary and general campaign per general election vote. One surprising name among those who were willing and able to expend large amounts of money per vote was that of Bruce Werlhof, a Sacramento attorney, who put out $2.24 for each vote he received in his race with Assemblyman Walter Powers. The contest was expected to be one-sided and never had been considered a GOP priority, but Werlhof spent almost $57,000 — first in winning a bitter primary and then in gathering 38 percent of the vote in the general election.

As is customary following an election year, legislators who are, in a sense, victims of upward spiraling campaign costs seem more highly motivated than usual to implement some election reform proposals. This year, with the state's newspapers editorializing in favor of instituting spending controls by 1972, there may be a real chance of making some fundamental improvements in the election code.

One idea has been advanced which continues to gain support from a variety of sources and is considered by many to be the one fundamental concept that could actually lessen campaign expenditures. This is to sharply reduce the time interval between the primary and general elections. The Chairman of he Assembly Committee on Elections and Constitutional Amendments, Paul Priolo, a Santa Monica Republican, has announced that he will introduce legislation designed to reduce general election campaign time from five months to 6-8 weeks. His measure, which has gained the backing of Democratic State Chairman Roger Boas, Republican State Chairman and State Senator Dennis Carpenter, Governor Reagan, and 41 county registrars, would move the date of the primary election from June to September. Both the *Los Angeles Times* and the *San Francisco Chronicle* have strongly endorsed the proposal.

Opposition to the idea may focus upon the apparent impracticality of having two primary elections during presidential election years, when the presidential primary must precede the summer national conventions. It is also noticeable that Democrats, who normally are outspent by the GOP, have not been quick to back Priolo's proposal. Some fear that the September primary will interfere with their party's registration efforts and thus put them at a disadvantage. These problems might be mitigated, however, by other proposed reforms; for example, in the structure and timing of the national conventions and in additional state involvement in the registration process.

Another element in the spending debate, the effort to make the election code sections pertaining to campaign contributions more effective devices for public disclosure, promises to be part of a major reform package to be offered by the new Secretary of State Edmund G. Brown, Jr. Brown is expected to sponsor several bills designed to "plug loopholes" that he believes exist in the election law. Among other things, he wants to require the full reporting and identification of all campaign contributors.

Other ideas which have been advocated in the past and are likely to be revived include: the placement of spending limitations upon each candidate based upon the office he runs for and the district population; a limitation on the rates which the media may charge political candidates in excess of their normal rates; and a process by which the average citizen may earmark a sum of money for political action through his state tax return.

PROP. 18 *(Continued from page 346)*

believe that it is more money from the same oil companies." Mobil's acknowledgment of its $30,000 share seems to support Mill's belief.

The principal officers of the Californians Against Street and Road Tax Trap, having disbanded their organization, have been somewhat reticent on the question. Both Brookhouser, the treasurer, and the chairman James Mussatti, are reported to be vacationing. James Goldberger, listed as co-chairman of the committee, has said that he is "not sure if I was co-chairman — I was on some committee or other."

Other members of the campaign either are unavailable or profess not to know who the other anoymous donors may be. "These four cashiers checks are a device to hide behind," states Senator Mills. "It's not possible that they don't know — that's too much money from four donors. If anti-Proposition 18 forces are guilty of conspiracy of violating the Election Code," he continues, "it wouldn't surprise me. They have conspired throughout the campaign to lie to the people of California about the measure."

"I do not believe," says Mills "and I do not think anyone else believes that the campaign committee was not aware of the source of those funds. I believe they are thumbing their nose at the public now as they thumbed their nose during the campaign."

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Methadone Maintenance for Heroin Addicts

by Shirley A. Biondi

Close to 1,000 of California's estimated 30,000 heroin addicts are receiving treatment under a new program of methadone maintenance. Legislation will be introduced in January to make methadone available to more heroin users, but there is strong disagreement about the best way to control any broad distribution of the drug, and whether methadone should be considered the only answer currently available to the growing problem of heroin addiction.

Began in New York

Six years ago in New York, a completely new concept in treatment of the heroin addict was pioneered by Dr. Vincent Dole and Dr. Marie E. Nyswander. They believe that heroin addiction is a metabolic disorder which can "generate a narcotic hunger or craving which may last for a person's life." Faced with a reported 94 percent failure rate in the conventional addict treatment of total withdrawal from drugs, Dole and Nyswander began administering methadone to heroin users who had a history of at least two years of addiction.

A derivative of morphine, methadone is an opiate-type narcotic drug which, like heroin, is addicting. Its advantage over heroin is that when administered daily in a stabilized dose (most often 80-120 mg. diluted in a glass of orange juice), methadone blocks the euphoriant effects of heroin, controls heroin hunger, and allows the addict to function as any other non-addicted individual. According to Dole and Nyswander, methadone "acts as a normalizer rather than as a narcotic" and in this respect is similar to the insulin treatment for a diabetic.

Since 1964, the New York program has treated over 2,800 patients. The success rate is notable, with 82 percent, or approximately 2,300, of the patients no longer addicted to heroin. Over 85 percent of these 2,300 patients are living independently without the aid of welfare or support from others, and are attending school, working, or functioning as homemakers. There has also been a 90 percent drop in criminal convictions among this group.

Research for a similar methadone maintenance program was begun in California in 1969 with 41 patients. In 1970, legislation was passed authorizing the use of methadone in other than experimental programs, and there are now 12 centers throughout California which administer the drug to a total of nearly 1,000 of the state's estimated 30-50,000 heroin addicts. These centers have been supported mainly from funds for county mental health programs established by the Short-Doyle Act, with the state paying 90 percent of the cost and the counties paying the remaining 10 percent. Only one clinic, Woodville, is now maintained solely on a patient fee basis.

Potential Savings

Proponents of methadone maintenance point to the huge cumulative savings to a community when heroin addiction is curbed. It has been estimated that at any one time approximately half of the state's addicts are incarcerated or on parole. The other half are "on the streets." The average addict spends $50 a day on his habit. In most cases, he must steal twice that amount in merchandise, which he then sells to an intermediary for cash. According to an estimate termed "not excessive" by Legislative Analyst A. Alan Post, the total yearly cost to Californians of such theft is $547 million. With the additional cost of $60 million for law enforcement, prosecution and correctional efforts, the total annual cost has been estimated to be $607 million. In other words, the cost to Californians to support each of its heroin addicts is $67 a day.

The clinic approach replaces an addict's dependency on his costly habit with a drug which is easily attainable and much less expensive. The price to the clinic of the methadone itself is only nine cents a dose. Varying budgets for clinic operations are due primarily to differences in staffing. San Jose employs eight people to handle 200 addicts; San Diego has twelve people to handle 100.

Costs for Selected Methadone Maintenance Programs

	Date Established	Number of Patients	Budget	Daily Cost per Addict
San Jose	2/70	200	$ 78,650	$1.08
Sacramento	9/70	50	27,000	1.48
Woodville	4/69	50	30,000	1.65
San Francisco	7/69	100	138,000	3.38
San Diego	4/70	100	177,000	4.85

The Sacramento clinic, established three months ago, runs on $10 a week per addict. "On $15 a week I could run an elegant program," says Dr. James Barter, director of the clinic, but he intentionally requested a smaller amount of initial funding from the Board of Supervisors because he felt this would demonstrate to other counties that a clinic could open without additional state money. However, there are currenlty as many people on Sacramento's waiting list as there are addicts receiving treatment, as is the case with most methadone programs elsewhere in the state.

Opposition from Synanon

The major organized opposition to methadone maintenance has come from groups such as Synanon which believe that the only healthy addict is a drug-free addict. Their feeling is that methadone simply replaces one drug addiction with another, and that the use of methadone increases, rather than decreases, total addiction of the population to drugs. Addicts can, in fact, become as dependent on methadone as they once were on heroin. Dr. Barter admits this may be true. "However, he says, "I know of nothing better."

Attempts to totally withdraw 350 New York patients from methadone by a gradual reduction in dose proved disappointing. Dr. Dole reported that "in every case, upon completion of withdrawal, a craving for heroin returned regardless of the patient's social or psychological adjustment."

Other criticism is based on the fact that because methadone is relatively new (first used during World War II as a substitute for morphine), its total effect on human beings is not fully known. The federal government, in fact, still terms methadone an "experimental drug" and has established guidelines for its

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Legislative Agenda for 1971 Session

It is impossible, of course, to predict in detail the many major and minor issues which will come before the 1971 session of the California Legislature. As the session opens, however, it is possible to identify several matters which are certain to make heavy demands on legislative time and energy — the budget, reapportionment, Medi-Cal, and welfare, for example — and a number of other issues which legislators, the administration, or interest groups have indicated will be important to them this year.

AGRICULTURE

Pesticide legislation, particularly expanded authority for the State Department of Agriculture, and farm **labor problems** will continue to be important. Bills to include a "farm base unit" in the California Marketing Act and a **pooling** arrangement for Grade B milk producers may also generate some heated debate. A controversial **farmer "indemnification"** program under the Produce Dealers Act may be back for another try. There is also some indication that 1971 may be the year for a major reform package covering the organization and financing of **county and district fairs.**

BUDGET

At the top of the legislative considerations this session will be Governor Reagan's proposed budget for 1971-72. Early estimates of revenues and expenditures make it evident that the budget can be balanced only by a combination of the most stringent economies and the initiation of withholding of state income taxes. The economies will necessarily hit hard in areas of major spending: education, health care services, welfare, and mental health.

Adding to the pressures for increased spending generated from normal workload increases will be these major items:

- **Salary increases** of at least 5 percent for all state civil service employees at a cost of $30 million. Further special adjustments for certain classes could add another $20 million.
- **Salary increases** for University and state college employees to provide 10 percent for faculty (passed over last year) and 5 percent for other employees, at a total cost of $50 million.
- General Fund **capital outlay** expenditures of at least $30 million to keep the squeeze on UC, state college and community college campuses from getting so tight that substantial numbers of new students must be refused admission.
- An increase in **state support for the public schools** of at least $50 million to offset projected inflation in school costs per pupil.
- Up to $100 million to **social welfare** to meet long deferred cost-of-living increases in conformity with federal regulations.

BUSINESS

A major business issue will be the regulation of **public utilities.** Proposed administrative changes in the Public Utilities Commission have already stirred Democratic ire as have recent reversals of established PUC policies. Telephone company rate and tax rulings could spark efforts to narrow the PUC's rate-making and regulatory latitude.

Consumer credit practices (particularly credit cards) will continue to cause headaches for retailers and financial institutions. With the revenue crisis at hand, all businesses are predictably nervous about the possibility of new business taxes. Proposals like value-added and environmental taxes, and specific proposals such as the **jet fuel tax** and elimination of **"home office" exemptions** are frequently mentioned.

CONSUMER AFFAIRS

Legislation to license and regulate **automotive repair shops** is considered to have a better than even chance of success in 1971. Senator Anthony Beilenson may make certain changes in his bill to clear the way for its passage. Assemblyman Leroy Greene, buoyed by the passage of a **"no fault" insurance** bill by the Commonwealth of Massachusetts, is expected to have more success with a similar measure in California.

A bill to eliminate the practice of obtaining **deficiency judgments** on repossessed used cars is likely to be introduced once again by Assemblyman Henry Waxman of Los Angeles. Waxman moved the bill out of the Assembly for the first time in 1970, only to have it die in the Senate. It is expected that bills to force **unit pricing** and **food dating** on the retail industry and to regulate the **funeral industry** will be revived as well. Consumer advocates may also be involved in attempts to augment the Governor's budget allocation to the new **Department of Consumer Affairs.** The naming of a **Consumer Council** within the department may also create some controversy, as various business and citizens groups compete for representation by gubernatorial appointment.

EDUCATION

Even without the current budget crisis, it is evident that **state funding** for the public schools and for higher education will be the primary concern in the education field this year. Wilson Riles, the newly elected Public School Superintendent, who says he will act as an "advocate for the children," has made it clear that a higher level of state spending is one of the things he will advocate, as will others. The Reagan administration has indicated little sympathy for this position, however. (see Orr Interview, page 338) and is more likely to press for greater efficiency in school management. While the proposal for an experimental **voucher system** may be revived, the opposition appears to remain overwhelming. Increased **tuition** may be advocated by the administration as a means of offsetting reductions in the level of state support for higher education, while those who think the state should be expanding **educational opportunity** are likely to challenge administrative budget figures and especially cutbacks in Educational Opportunity Programs.

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There is likely to be legislation affecting **teacher** tenure at both the school and the college levels, although it is doubtful that a consensus will emerge as to the changes which need to be made. Similarly, there will be renewed efforts to begin a **restructuring of higher education,** including abolishing the Coordinating Council for Higher Education.

ENVIRONMENT

Land use and air pollution may turn out to be the key environmental issues of 1971. The battle over control of the **California coastline** is certain to be renewed, including subsidiary problems such as the **siting of nuclear power plants.** Already there are indications that conservationists, local government and major land holding interests are all taking diverse approaches to the problems of regulating coastline development.

The Legislature will almost certainly receive proposals to beef up the operations and funding of the newly created **State Office of Planning and Research.** Conservationists will urge implementation of a statewide **land use plan,** a suggestion that may receive backing from other quarters as a means of holding off other reform proposals. Major open space legislation will include bills to reimburse local government for lost revenue from **Williamson Act** lands, and to expand the **contractual use restriction** approach to development timing and urban fringe problems. **Zoning** as a land use control tool will also be the center of a major controversy. Conservationists intend to ask for wider and more effective use of the police power, and its assumption by the state or regional bodies. The **premature subdivision issue** (see page 353), raised primarily in relation to recreational developments, may be one major battleground, and an expanded **flood plain management program,** including tougher zoning and landowner cost-sharing, could easily become another.

Like the coastline issue, other environmental efforts which were unsuccessful in 1970 will be renewed. Automobile and industrial **air pollution,** the touchstone issue in population-heavy Southern California, will continue to be a major legislative target.

EXECUTIVE BRANCH REORGANIZATION

A major restructuring of the Office of the Governor, the top-level "cabinet" staff, and related agencies, which promises to be the most extensive reorganization since 196', is under review by Governor Reagan. The proposal would result in a more centralized executive office of the Governor by making budget, maagement services, and planning functions integral parts of the chief executive's staff structure.

The central purpose of the plan is to delineate more clearly the duties of the four agency secretaries who, along with the Director of Finance, form the Governor's Cabinet. This task, which proved troublesome for the Brown administration as well, is to be accomplished by making policy and planning responsibilities for broad program areas of state government (such as environmental protection) the direct responsibility of these top-level staff positions.

One consequence of the reorganization will be the creation of a number of new units of government reporting directly to the Governor. At the same time, more effort will be exerted to recognize each department director's responsibility for operational activities. The reorganization plan is based upon several internal staff studies and the work of outside consultants, and is also patterned to some extent on the recent White House reorganization initiated by President Nixon.

FAMILY LIFE

The pending report of the Advisory Commission on the Status of Women is expected to place primary importance upon legislation to expand the availability of **child care centers** through various tax incentives. Senator Mervyn Dymally will undoubtedly press his successes of last session in the area of equal employment for women teachers. In the area of **family planning,** loosening of restrictions on abortion will again be a major issue.

HEALTH AND WELFARE

Welfare and **Medi-Cal** are certain to be among the most debated topics at the 1971 session. The administration is talking increasingly of separating aid to the aged, blind and disabled from aid to families with dependent children (AFDC), establishing a simplified automatic payment system for the former while creating a public work force to employ the others. An administrative task force is now developing legislation in this area. At the same time, there will be renewed legislative efforts to raise the level of AFDC payments.

The administration has also promised to propose major changes in **Medi-Cal** in the form of pre-paid health insurance programs, but it is not clear that this proposal will be ready this year. In the meantime, there will be heated debate as to whether administration efforts to cut back Medi-Cal expenditures are defeating the concept of "mainstream" health care for the poor.

Legislation will be introduced to expand **methadone maintenance programs** for heroin addicts (see page 349) although additional state funding as very unlikely. There may also be a revival of last session's **rubella vaccination program** which was defeated by the Governor's veto.

ADMINISTRATION OF JUSTICE

Studies by the Department of Corrections and the Assembly and Senate are underway which are producing increased interest in the areas of **corrections, parole, and probation.** The department and Assembly studies are not due to be completed until 1972, but the study being conducted by the Senate Judiciary Committee could produce successful legislation this year, especially since the major parole reform bill of 1970 (AB 1511, Biddle) died in that committee.

A constitutional amendment to restructure the **courts** is due for introduction this year by Assemblyman James Hayes. The proopsal is to merge the trial courts of the state into a single coordinated state-operated system. However, a sweeping reform like this will probably require another year of gestation before pasage can be expected. Efforts to effect minor changes in the juvenile court system may fare better.

LABOR

The State Federation of Labor will undoubtedly strive to capitalize on its role in the return of Democratic control of the Legislature. The "Fed" will probably push hardest for a **social insurance package.** Other key labor issues may be a **State Fair Labor Standards Act** (a universally applicable wage and hour law), the traditional **anti-strikebreaker bill,** and the return of the regulation of **private employment agencies** to the State

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Labor Commissioner. These agencies, already embroiled in controversy over the administration's proposal to transfer some public job-seeking functions to them, may also face substantive reform proposals from other quarters. A **state public employment program** similar to that recently vetoed by President Nixon, and an **expansion of WIN** and other training programs will probably be offered in the war on unemployment.

There may be a break in the stalemate over **UI coverage** of farm workers, but farm organizations definitely appear ready to push some kind of a **labor-management package for agriculture.** Labor may either oppose it or make a counter-proposal. However, the big labor relaitons issue will probably be **collective bargaining** procedures for public employees. Two high priority possibilities are the extension of the negotiation principles of the Meyers-Milias-Brown Act (now applicable to local government) to state employees, and some form of **compulsory arbitration** for local safety (police and fire) employees.

LOCAL GOVERNMENT

Jurisdictional disputes and fiscal crises will continue to hold the spotlight in legislation affecting local affairs. The League of California Cities is readying an extensive **annexation reform bill** to strengthen LAFCO's authority and give less emphasis to self-determination. A **regional government** proposal for the Bay Area will again be introduced and possibly one for San Diego as well. **State preemption** of local authority will also be a key issue running through much environmental legislation. **Employee salaries, public assistance costs,** and demands for **property tax reform** will give greater urgency to the search for new local revenue sources.

REAPPORTIONMENT AND ELECTIONS

The first legislative session following the decennial census is always dominated by the issue of legislative **reapportionment,** and 1971 will be no different (see page 342). In addition, the issue of the **18-year-old vote** in state elections is likely to become a major item involving a constitutional amendment requiring the support of two-thirds of the members of each house before it can be placed on the June, 1972 primary ballot.

The skyrocketing **cost of campaigning** is likely to bring several reform proposals (see page 347). Assemblyman Paul Priolo will introduce legislation to create statewide holidays for primary and general elections; permit the mid-day pick-up, processing and tabulating of ballots where mechanized voting systems are used; increase government involvement in registration and clarify voter residency requirements in light of the U.S. Supreme Court's recent decision. Secretary of State Edmund G. Brown, Jr., and Democratic legislative leaders can be expected to propose other ideas aimed at limiting the costs of campaigning and disclosing the names of contributors.

Attempts may also be made to establish a **state fair campaign practices commission** and institute an **"Oregon Presidential Primary"** system in California.

TAXATION

Governor Reagan has said that he will try again to get a major **property tax relief** bill through the Legislature but with the severe fiscal problems now facing the administration in meeting existing state costs and declining legislative interest, it is more likely that attention will be focused on raising taxes and adopting **withholding** to balance the state budget. In this connection there are also likely to be several legislative efforts at **tax "reform"** aimed at such things as the insurance industry's home office exemption. In addition, California cities will certainly mount a strong drive to increase their tax authority, concentrating on the **tipler's tax** and **utility users taxes.** The Reagan administration has expressed interest in extending the powers of cities to develop **user fees** for a variety of municipal services. Similarly, the administration may push for an increase in state college and University **tuition** to provide necessary operating revenues for higher education.

METHADONE *(Continued from page 349)*

limited use. The guidelines carry no enforcement power, however, and in states such as New York, these guidelines have largely been ignored.

State Funding and Regulation

Last year, two bills were passed to allow the use of methadone in California for other than experimental programs. A Senate bill, SB 1271 (Way), carried a $280,000 appropriation, which was amended out in committee, and specified county community health centers as sole dispensers of the drug. An Assembly bill, AB 232 (Vasconcellos), would have expanded the role of the Research Advisory Panel to include approval and supervision of all methadone treatment programs. The panel could have allowed pharmacies and private physicians to dispense the drug, in addition to community health centers. The Governor signed both bills, but Way's was signed last, thus erasing the Vasconellos bill from the statutes. The victory for Way's bill was a victory for those who felt that the state should be cautious in moving ahead with methadone treatment. This debate is certain to be renewed in 1971.

The advantage of widespread distribution, of course, is the possibility of reaching more addicts who may need such treatment. The disadvantage, according to Dr. Barter, is that when the sources become numerous, the monitoring of patients becomes a time-consuming, expensive task. He also points out that if an addict is given methadone to adminster to himself, he may sell it in exchange for heroin, since a heroin addict unaccustomed to methadone can receive a "high" from it.

Outlook for 1971

Although Vasconcellos plans to renew his effort this year to obtain "massive funding," the possibility of additional state money for methadone programs is remote in fiscally-pinched 1971. Some federal funding is available, but because the federal government still terms methadone "experimental," no large scale funding can be expected until this designation is lifted. Any additional methadone programs are most likely to begin on the local level, as counties elect to spend a portion of their total Short-Doyle allocations for methadone programs, and to determine for themselves whether the establishment of such a program in their communities will prove to be an effective tool against drug abuse.

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Legislature Examines Spreading Rural Subdivisions

Rural land booms are hardly a novel feature in the evolution of the California landscape, but several modern variations on the theme currently figure to be a high priority target for organized conservationism at the 1971 Legislature. Termed "second home" or "recreational" communities by their developers and "premature subdivisions" by their critics, rural subdivisions vary greatly in quality and size. Their common distinguishing features, however, are extensive initial acreage, relative isolation, and emphasis upon lot sales rather than construction.

From an economic standpoint, what the rural subdivision business really seems to amount to is the consumer-sized packaging of California land. The raw land cost of such developments is often not the major expense in this process; the development budget normally must contain healthy allowances for promotion and sales work, and for the increasingly extensive improvements that counties require before approving a subdivision map. The developer usually also provides financing for purchasers. However, the markup on subdivided lots is so great (1000 percent is modest) that the developer who has minimized his own out-of-pocket costs and can sell out the unit in a reasonable length of time (no more than a year or two) stands to reap sizeable profits.

Buyers either want land on which they can build a retirement or vacation home or a chance for speculative profit, or both. According to developers, the relatively low building rate in these subdivisions is a natural consequence of the need for middle-class purchasers to clear their lots of debt before undertaking any construction, and the desire of others simply to own property in its semi-natural state. Whatever the reasons, this means that the lots will produce property tax revenues for an extended period of time before their owners require county services. Even after construction, retirees or second home owners are unlikely to ever make demands on some major public services like education. Such considerations have not been lost on officials in hard-pressed rural counties.

Your Own Garden of Eden

Why is an industry devoted to giving Californians a piece of their own Garden of Eden now suddenly in the center of a storm of controversy? One obvious answer is that the garden has not always been delivered as advertised. A more central concern is that the subdivision of one part of the garden may not only destroy it, but also adjacent parts still owned in common. In truth, the objections are diffuse, and contain elements of consumer protection, ecological balance, aesthetics, public finance, snob zoning, and unadulterated preservationism.

To begin with, financing and sales practices of some subdividers have apparently verged on misrepresentation and outright fraud. Since some purchasers never visit their property until after consummation of the sale, advertising literature and professional salesmanship can adroitly conceal certain harsh realities. Attractive physical features (mountains, lakes and seacoast) may be remote or inaccessible; disagreeable features (brush, gullies and swamps) may be ignored; improvements necessary for access or comfortable habitation (roads, water, sewers, electricity, gas, and telephones) may be unavailable, and amenities that are "planned" (recreational facilities and commercial centers) may never materialize.

Perhaps even worse, the purchaser may not fully comprehend the true nature of his financial involvement. If the developer has been able to use public financing for improvements, substantial bonded indebtedness may be outstanding on each lot, with additional assessments possible if the subdivision does not progress according to the developers' aspirations. Finally, a time-honored sales technique is to proceed from the general proposition that land is a good investment to the specific suggestion that a given lot is the most profitable way to invest in California land. In point of fact, a lot owner in an incompletely sold subdivision is in direct competition with the developer himself, and lots in several well-publicized developments have actually depreciated in value, and are difficult to sell at any price.

Nevertheless, environmentalists, rather than dissatisfied customers have spearheaded the current assult on rural developments. Their opposition is based upon several considerations. First, they believe that many areas being subdivided should remain permanently undeveloped. Such areas include those of special scenic or ecological value or where the environment is simply too fragile to sustain development. Second, subdivisions developed with little understanding of environmental factors often result in unnecessary ecological violence. Examples of this phenomenon include the placing of grid lot patterns on rolling terrain, sizeable earth and vegetation removal, and the obstruction and redirection of natural water courses.

Third, and perhaps most important, the backlog of subdivided lots in many areas seems so great that it is difficult to conceive how they could all be used for residential purposes of any kind. This is the classic condition of "prematurity." The North Coast, the Sierra Foothills, and the Southern desert are the major regions where alleged prematurity exists. However, the problem is more complex than it appears at first blush, a difficulty based upon the unstated and widely accepted assumption that rural subdivisions should be evaluated by urban standards.

In past eras, when a subdivision was plotted prematurely, it became a source of future title problems, but had little environmental impact because improvements seldom went beyond the surveying of the lots. Recently, the demands for better planning and purchaser protection have led many counties to require extensive improvements prior to sale. The expense of making such improvements has undoubtedly deterred many a shoestring subdivider, but it has also dramatically escalated the consequences of prematurity for the environment and for the lot owners, as well, since unused improvments deteriorate rapidly.

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The notion that subdivisions be summarily stopped or made prohibitively expensive has a slightly elitist tinge, particularly when proferred by a coalition of local property owners and out-of-town preservationists bound together by the conviction that someone else's land ought to provide their open space. Furthermore, given the existence of a strong market for undeveloped rural land, it may be somewhat unrealistic to suppose that circumvention of a ban would be impossible. Finally, from the standpoint of local fiscal policy, it appears that the full development of the subdivision rather its unoccupied state, is what actually constitutes the threshold of disaster.

On the other hand, traditional "democratic" arguments in favor of wider land ownership undeniably smack of an anti-planning bias. Similarly, proposals for lower standards for rural subdivisions are clearly self-serving when they come from subdividers who have little or no financial interest in construction.

Aspects of rural land sale and development have elicited occasional interest from the Legislature. The State Subdivided Lands Act originally provided only for the registration of all divisions into more than four parcels and the issuance of a report by the State Real Estate Commissioner. Misrepresentation or fraud were the only grounds for denial. Relatively recent amendments provide for the satisfaction of affirmative standards, primarily that the financial arrangements will be adequate to complete the proposed improvements and the land will be usable for the purpose for which it is being sold. Local government, however, has the responsibility for determining the appropriateness of any given subdivision and the necessity of specific improvements, pursuant to the Subdivision Map Act. In 1969, the Land Project Act segregated large volume rural subdivisions from the Land Act and subjected them to additional controls, including a 48-hour recision clause. However, out-of-state land offerings are subject to even more stringent regulation in California than any domestic sales.

In 1970, a proposal by Senator Walsh (SB 395) to require a fifty percent "build-out" in five years on all subdivisions fueled a controversy previously started by crusading Nevada County District Attorney Harold Berliner, and led early in December to interim hearings by joint committees in both the Senate and Assembly. Testimony produced little in the ways of surprises, but brought forth recitations of the tribulations of such auspiciously named developments as Salton City, California Valley, California City, Palm Springs Panorama, Brooktrails, Lake of the Pines, and Shelter Cove.

Conflict of Interest

Officials from several counties admitted that they had in the past been taken in by the enthusiasm of subdividers, and other witnesses suggested that there are connections between developers and public officials in small counties that pose serious conflict of interest problems. Developers, including giant Boise-Cascade and the newly-formed Western Developers Council, took the position that abuses had occurred but that major firms were cooperating with authorities and each other to police themselves. The hard-lining California Real Estate Association (CREA) minimized problems and suggested that public officials should count on providing compensation for land owners in the event the government wished to defer development in areas where a general plan permitted it.

Proposed solutions varied widely. Most witnesses seemed to agree that the state was making an effort to keep abreast of the consumer fraud problem, but that additional powers were probably needed. County officials indicated that they needed better legal grounds for denying subdivisions and requiring various types of studies or improvements as conditions for approval. A joint city-county task force working on a substantial revision of the Subdivision Map Act will not be finished until 1972. County officials and planning technicians also agreed that there was an urgent need for supplementary technical assistance, particularly in small counties.

Conservationists acknowledged the technical problems faced by local government but suggested that the real problem was a potentially incurable failure of will. A Sierra Club representative came out foursquare for state zoning and a moratorium on all development until a state land use plan can be drafted. The CREA seconded the call for a state plan, but suggested that the moratorium should be on legislation rather than development. Several witnesses proposed some form of inventory control over unbuilt lots. However, formula limitations on the creation of new lots were opposed by developer representatives, some of whom (notably Boise-Cascade) argued that stepping up building in a tight money era was very difficult, even though they planned to accelerate their own efforts in this direction.

Projections for legislative action are indefinite. The Joint Assembly Committee on Premature Subdivision, chaired by Leo McCarthy, has indicated it will attempt to further refine the issue and the potential alternatives in additional hearings early in 1971. Senator Walsh's bill went through several permutations last year, and was never a fully developed proposal. New legislation will require additional technical and conceptual work. Nevertheless, given the head of steam that the issue has picked up recently, the odds are in favor of the passage of some substantive proposal in 1971. Early odds favor some kind of environmental standards and additional anti-fraud provisions.

A recent memo to the press from the Office of the Governor invited press coverage of the presentation of a turkey to the Governor. Capitol observers remarked that they thought the bill signing period ended some months ago.

When the Legislature convenes January 4th, a new State Capitol security system will be operating. Consisting of 16 cameras and 21 viewing monitors, the closed-circuit television network will monitor capitol corridors, the reception area in the Governor's Office, and the basement garage.

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Sisk Gets Along

December 13, 1970

Liberalism, no less than other ideologies, is in the eyes of the beholder, an anti-ideological perception which few politicians understand better than Bernie Sisk.

"I realize that what a man thinks of your position depends on the direction he looks at it from," says Sisk in the strong southwestern accent he brought with him from Texas to the San Joaquin Valley. A tall, rough-hewn Fresnan who aspires to be majority leader of the House of Representatives, Sisk brought along other characteristics as well, among them a Texan's prospensity for effective folksiness once expressed in the Sam Rayburn aphorism: "To get along, go along."

The Rayburn aphorism is engraved, figuratively speaking, on the navels of the House committee chairmen and the many senior congressmen who desire to become committee chairmen. Rep. Chet Holifield of Montebello, dean of the California delegation, quoted it recently in a letter to Rep. Robert Leggett of Vallejo, a letter which otherwise politely told Leggett and his fellow rebels among California's Democratic congressmen to go fly the anti-seniority kite of their choice. Various Republicans have communicated the GOP version of the same message to Rep. Pete McCloskey of Portola Valley on those not infrequent occasions when McCloskey has become uppity.

These California rebels are not alone. Despite the traditional pressures by which the targets of reform discourage its apostles, the days of getting along by going along seem numbered in the House. Though its leaders defend the seniority system at the drop of a quorum call, most of them know that it appears petrified and unresponsive to those who do not share directly in its blessings. They know, some of them, that the Congress (or at least that part of the Congress which is the House) is not remotely "co-equal" to an overburdened and frequently overbearing executive branch or to an activist federal court system. They also know that many House members, even while aspiring to be chairmen, are themselves responsive to mounting constituent criticism that the House is out of date. The Legislative Reorganization Act of 1970, with its unprecedented provision for recorded votes in committee of the whole, and the forthcoming acceptance of committee reforms that the Democratic caucus is almost certain to adopt in January are products of that self-awareness. And they are at least a partial response to the impatience of reformers who only two years ago were considered impractical utopians at best and unredemptive radicals at worst.

Bernie Sisk, at his most liberal, was never one of these reformers. It was because he was trusted by the House establishment that Rep. Bill Colmer, the Mississippi octogenarian who heads the House Rules Committee, and Rep. H. Allen Smith of Glendale, ranking Republican on that body, picked Sisk to head a subcommittee charged with the first federal legislative reorganization in a generation. It was Sisk's generalship of that tabbycat turned tiger on the House floor that propelled him into the majority leadership battle. The Legislative Reorganization Act, regularly given up for dead by most members and by large sections of the Washington press corps, was rescued from oblivion by Sisk's cooperation with a bi-partisan reform coalition that was determined to pass a bill. The measure also proved an admirable showcase for the kind of abilities which Sisk has in abundance — patience, courtesy, parliamentary insight, a willingness to compromise, and unremitting fairness. Sponsoring a bill that most of the reformers thought insufficient and that most of the leadership really didn't want at all, Sisk held the loyalty of the leadership by resisting unwanted amendments while he placated the reformers by pushing forward with the bill after they amended it.

Sisk's performance surprised some people in the press gallery, but it was perfectly reflective of his career in the House. A congressman since 1954, Sisk was the Democrat designated to unblock the logjam on the House Rules Committee during the reign of segregationist Rep. Howard Smith of Virginia. In the days when the Dixiecrat coalition reigned in Congress, Judge Smith and Colmer regularly sided with the Republican minority on the Rules Committee to resist any and all legislation smacking of social change. When old Sam Rayburn reached an "understanding" with the Kennedy administration in 1961, Sisk was one of two Democrats added to the Rules Committee to change its ideological makeup and one of the congressmen who subsequently assisted in prying civil rights legislation out of the committee. But Rayburn had also chosen wisely in Sisk, who showed a proper respect for the system, and who became a firm friend of Smith and Colmer. Along the way Sisk also managed to estrange such liberals as Joe Rauh, the guiding light of the Americans for Democratic Action, who accused Sisk of blocking the ADA proposal for District of Columbia home rule. Sisk in turn blames Rauh for prefering to lose with an ultimate solution of his own rather than accepting a Sisk-style compromise that would have achieved the essentials of home rule.

Whatever the merits of the dispute, Sisk emerged from it as a hopeless conservative in ADA eyes, a view that now makes its way with increasing regularity into liberal periodicals and which culminated, Sisk contends, in a misrepresentation of his civil rights record in *The New Republic*. Even the respected *Congressional Quarterly*, famed for its objectivity, appears to have accepted the ADA view of the world in a recent profile which cites the ADA rating scale as supposed evidence of Sisk's growing conservatism and which fails even to mention the House reform bill.

(Continued on next page)

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CANNON *(Continued from previous page)*

Sisk's actual ideology is not easily defined either by rating system or by a single adjective. On the scale of the illiberal Americans for Conservative Action (ACA), for instance, Sisk emerges as more liberal than such reform-minded California liberals as Jerome Waldie of Antioch and Thomas Rees of Los Angeles, who prefer Morris Udall of Arizona for majority leader but would be happy enough with Sisk.

Sisk's dualistic use of the word "liberal" — he calls himself a "moderate liberal" but is capable of Agnewistic criticisms of "the liberal press" — conveys his own disregard for ideology. Raised in the traditions of a state where effectiveness demanded loyalty to the Democratic Party, reared in reverence to Franklin Roosevelt, elevated to political importance at a time when the House was becoming more liberal and his own San Joaquin Valley district more conservative, Sisk at 60 is a congressman's congressman who has become captured by the tradition of the House while remaining committed to a populist vision of a better life. He is liberal on civil rights (the ADA notwithstanding) and on labor issues but distinctly conservative on farm subsidies, of which his district has more than any other in the nation. He is friendly to the Southerners, an unforgivable affection to some liberals, and he was for a long time supportive of the Vietnam war or, more precisely, of Lyndon Johnson, a man whom Sisk resembles in origins, speech and legislative inclinations. Even on this issue, Sisk is well to the center in the hawkish House, where he sides with the doves on the question of presidential consultation with Congress and with the hawks on the issue of the commander-in-chief's war powers.

Udall, a courageous liberal who is tarnished in the eyes of some big-city Democrats because of his vote favoring right-to-work laws, and Rep. Hale Boggs of Louisiana, the Democratic whip, were the early frontrunners for the post of majority leader when it became apparent that the incumbent, Carl Albert of Oklahoma, would ascend to the House speakership. Throughout the late summer and early fall it was considered a foregone conclusion that one of these men would be elected majority leader, despite Udall's liabilities as a premature reformer and Boggs' reputation as a high-handed "establishment Democrat." But Rep. James O'Hara of Michigan, a labor-backed candidate with a liberal record, refused to bow out of the race, and when it became apparent that neither Boggs nor Udall commanded a majority, western and southern Democrats began shopping around for another candidate. The man in the middle turned out to be Sisk, who won a 9-7 vote within the California delegation against Rep. John Moss of Sacramento. Sisk promptly entered the race with Moss' backing and with widespread regional support.

The House last conducted a contested election for the majority leader's post in 1937, and neither the issues nor the ground rules of the election are clear-cut. It will be by secret ballot, certainly, with a majority of the 255 Democratic congressmen required for election. The candidates are at this writing meeting among themselves to determine the specifics of the election, but most of them appear to favor a system in which all are nominated at once and the low man drops out after a specified number of ballots. The issues are even more difficult to define. Udall and O'Hara are Democratic Study Group liberals, committed to change and to a more open, responsive Congress. Boggs is a continuation of the past. Sisk, who defends the seniority system in one breath and talks earnestly about recognizing the "winds of change" and reforming it in another, is a transitional candidate.

Sisk is fond of saying that there are more issues uniting Democrats than dividing them. That, of course, remains to be seen. But it is indisputable that the new majority leader, whoever he is, will come to power at a time when an increasing number of his congressional colleagues have ceased to believe in the divine rights of committee chairmen or in the holiness of the seniority system. What is most needed from the House's standpoint, and probably from the nation's, is someone from within the ranks of the congressional establishment who is committed to the system but who understands that the House must change to save itself. That sort of unifying leadership could be made to order for Bernie Sisk.

BUDGET *(Continued from page 337)*

(PPBS) over the past eight years, relatively little has been accomplished. In part, this is because much of the impetus has come from two external sources: from the Legislature, where some members and staff would like to get the department to produce a more useful and understandable fiscal plan, and from the various agencies where administrators have seen in the language of program budgeting a means to gain more flexibility in their fiscal operations with less interference from outside agencies.

In some part the effort to establish PPBS also has become mired down for lack of inspired leadership in the face of many very difficult problems of stating program objectives, selecting output measurements, and planning several years in advance. None of the last four Directors of Finance has shown a strong interest in effecting major changes of this nature.

As a consequence, much that passes for program budgeting reads like this statement by the Department of Finance as to one of its own outputs:

> *Coordinated decisions arrived at by joint discussions among all affected entities, insuring uniformity of purpose among the agencies working in common program areas.*

In addition, the administration has been unwilling to provide the individual agencies with the 3-5 year funding projections which every agency must have if it is to do any serious program planning of its own.

Budget Data System

Another innovation, one which *is* being carried out, is the installation of an automated budget data system for use by the administration and the Legislature. When completely installed and tested in mid-1972, this system will make possible the automated accumulation, summarization, and verification of all the financial data in the Governor's budget, the budget bill, and related documents. By means of its data bank, it is to provide a single, comprehensive, and rapid source of information on state expenditures, program costs, and the estimated costs of new proposals. It is also expected to provide a much more useful device for conducting program evaluation and cost/benefit analyses within the various state services.

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87 Wait on Death Row in California As U.S. Supreme Court Weighs Cases

Last month the U.S. Supreme Court heard two cases, including one from California, that may decide that fate of over 550 men now on death row in prisons throughout the country, including 89 in California.

The California case, *McGautha v. California,* challenges the imposition of the death penalty when the sentencing jury has not been given guidelines or standards for its decision. Since 39 of the 41 states that retain capital punishment give juries absolute discretion to impose life imprisonment or death, and provide no guidelines or standards by which they are to make such decisions, a ruling by the court that "standardless sentencing" is unconstitutional could be the basis for reversing the sentence in almost every case in which the death penalty has been imposed.

The other case, *Crampton v. Ohio,* also challenges "standardless sentencing", and, in addition, presents a challenge to the single verdict trial in which the determination of guilt or innocence and the imposition of sentence occur in the same proceeding. The theory behind this challenge is that the single verdict trial deprives defendants of the right to avoid self-incrimination. The two part trial provides the defendant with an opportunity to testify in his own behalf in the second part of the trial without incriminating himself in the first part. California will not be affected by a ruling on this issue, however, as the state Legislature has already provided for a two-part trial in cases involving capital offenses: the first part to determine guilt or innocence; the second part to determine the sentence.

Opposition Tactics

These two cases are indicative of the approach presently being taken by opponents of the death penalty. Until recently, they had concentrated their efforts on legislative action within the state, but proposals calling for abolition of the death penalty or even a moratorium on executions for a specified number of years have been consistently defeated in the California Legislature. Direct attacks on the constitutionality of the death penalty in the United States Supreme Court have also been unsuccessful, because the court has either declined to hear the cases or has decided them on some other grounds.

The indirect effect of these appeals to the Supreme Court, however, has been to stay all executions in the country for the past three years. In California the last execution occurred on April 12th, 1967. As of December 1st, 89 men were under sentence of death in California prisons, but no executions are scheduled.

But in the mean time the court has made several significant rulings as to necessary procedures for imposing the death penalty. For example, in 1968 in the case of *Witherspoon v. Illinois,* the court held that in the trial of a capital offense the exclusion of persons from a jury merely because they state general objections to capital punishment, or express conscientious or religious scruples to its imposition, deprives the defendant of a fair trial. This decision has been the basis for a number of reversals in cases where the death penalty was imposed, even when only one person has been excluded from a jury because of conscientious objection to the death penalty.

The Supreme Court is expected to continue to hear cases which indirectly challenge the death penalty, but it is also expected to continue to avoid ruling on whether capital punishment constitutes cruel and unusual punishment, leaving the question of the legality of the death penalty itself to individual state legislatures. As long as the Supreme Court continues to grant class stays of execution, however, opponents of the death penalty are not likely to gain sufficient support to force the legislature to act.

Little Legislative Action

At present, there is strong opposition in California to any changes in laws making first degree murder punishable either by death or by life imprisonment. During the last session of the Legislature, the annual bill to abolish the death penalty failed even to be assigned to a committee for consideration. Another bill, which provided only that a defendant might choose to be tried for a capital offense by a panel of three judges, rather than by a jury, was passed by both houses of the Legislature but was vetoed by the Governor.

Two additional bills introduced at the 1970 session called for extending the application of the death penalty. One, which provided for a mandatory death penalty for the first degree murder of a peace officer, was defeated in committee, but another bill, which provided for death or life imprisonment for persons found guilty of exploding a destructive device and causing great bodily injury or death, has been signed into law.

The next major test of California's position regarding the death penalty will come, however, when the U. S. Supreme Court's stay is lifted and the state prepares to execute all of those who have been awaiting their fate on death row. At present it appears that California will be spared this test only if the Supreme Court's ruling in the McGautha and Crampton cases should have the effect of reversing the death sentences which have not been carried out.

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CALIFORNIA CALENDAR

Jan. 4	**Govenor.** Inauguration. West steps of the Capitol, 11:00 a.m.
Jan. 4-5	**Coordinating Council for Higher Education.** Host of Sacramento Hotel, Metropolitan Airport, Sacramento. 1/4 — 10:00 a.m.; 1/5 — 9:00 a.m.
Jan. 5	**State-of-the-State.** Governor addresses joint session of the Legislature.
Jan. 5-6	**Little Hoover Commission.** State Captiol, Sacramento. 10:00 a.m.
Jan. 7	**State Transportation Board.** Rm. 2116, Public Works Bldg., 1120 N St., Sacramento. 10:00 a.m.
	State Water Resources Control Board. Resources Bldg., 1416 9th St., Sacramento. 10:00 a.m.
	San Francisco Bay Conservation and Development Commission. Rm. 1194, State Bldg., 455 Golden Gate Ave., San Francisco. 2:00 p.m.
	State Board of Agriculture. Agriculture Bldg., 1220 N St., Sacramento. 10:00 a.m.
Jan. 7-8	**Park and Recreation Commission.** Jaycee Bldg., 911 E. Baristo Rd., Palm Springs. 1/7 — 1:30 p.m.; 1/8 — 9:00 a.m.
Jan. 8	**California Water Commission.** Auditorium, Resources Bldg., 1416 9th St., Sacramento. 9:00 a.m.
Jan. 14-15	**State Board of Education.** Rm. 1194, State Bldg. Annex, 455 Golden Gate Avenue, San Francisco, 9:00 a.m.
Jan. 15-16	**California Law Revision Commission.** State Bar Bldg., 601 McAllister St., San Francisco. 1/15 — 9:30 a.m.; 1/16 — 9:00 a.m.
Jan. 20	**Health Review and Planning Council.** Auditorium, Office Building 9, 714 P St., Sacramento. 10:00 a.m.
	San Francisco Bay Conservation and Development Commission. Rm. 1194, State Bldg., 455 Golden Gate Avenue, San Francisco. 2:00 p.m.
	Commission of Housing and Community Development. San Francisco. 1:30 p.m.
	Intergovernmental Board on Electronic Data Processing. Host Sacramento Hotel, Sacramento Metropolitan Airport. 1-4 p.m.
Jan. 25	**State Public Works Board.** Rm. 6028, State Capitol, Sacramento. 2:00 p.m.
Jan. 26-27	**Board of Trustees, California State Colleges.** Third Floor Auditorium, Office of the Chancellor, 5670 Wilshire Blvd., Los Angeles.
Jan. 28	**State Lands Commission.** Rm. 2170, State Capitol, Sacramento. 10:00 a.m.
Jan. 29	**State Building Standards Commission.** State Office Bldg. 1, 915 Capitol Mall, Sacramento. 10:00 a.m.
Feb. 3	**Hospital Advisory Board.** 744 P St., Sacramento. 10:00 a.m.

PEOPLE IN THE NEWS

APPOINTED

Jeffery Cohelan, Democratic congressman from Alameda County, who was defeated for renomination to a seventh term in the June Primary, as executive director of the Group Health Association of America.

Roy F. Greenaway, of Fresno, chief legislative assistant to U.S. Senator Alan Cranston, as Administrative Assistant to the Senator effective January 1st. Greenaway is a specialist in environmental and water problems.

Gus Harrison, Director of the Michigan Department of Corrections for 17 years, as chairman of a task force to study California's state prison system, by the State Board of Corrections Chairman Lucian B. Vandegrift.

Marvin L. Herrington, 34, Director of Security at Northwestern University, Evanston, Illinois, since 1969, as Special Assistant for Security for the California State Colleges, by Chancellor Glenn S. Dumke.

Joseph W. McGuire, 45, Dean of the College of Commerce and Business Administration and professor of industrial administration at the University of Illinois, as Vice President for Planning for the University of California, by President Charles J. Hitch.

Michael Peevey, unsuccessful Democratic candidate for the 4th Senate District, as research director and legislative assistant to Executive Secretary John Henning of the California Labor Federation, AFL-CIO.

Senator-Elect John V. Tunney's Staff:Verne Ashby, Los Angeles coordinator of the Tunney campaign, as legislative assistant for constituent problems; **David A. Cathcart,** 30, of Los Angeles, a specialist in corporate, labor and tax law, **Thomas E. Gallagher,** 25, of Los Angeles, an attorney specializing in urban problems, and **Jerry Hill,** 27, a law student and a graduate of UC Riverside, as legislative assistants. **Vince Griffith,** 35, of Riverside, will continue as administrative assistant.

RESIGNED

Gordon Cumming, a member of the State Health Review and Program Council, the Medi-Cal advisory board, in the wake of the Medi-Cal expenditure cuts announced by the Reagan administration. Cumming, who is administrator of the Sacramento Medical Center and past president of the California Hospital Administration, called the cuts "excessively severe."

Arthur Suddjian, 44, chief of the State Office of Narcotics and Drug Abuse Coordination since March, 1970. He will return to a position with Fresno Unified School District.

DIED

Harold Booth, 59, of Orland, former Democratic State Assemblyman from 1962-1964 and former chairman of the Glenn County Democratic Central Committee. He was defeated for re-election in 1964 by Republican Ray E. Johnson.

William G. Bonelli, Sr., 75, in Mexico, former State Assemblyman and member of the State Board of Equalization from the 4th District, who was indicted for liquor licensing irregularities after his defeat for re-election in 1954. He fled to Arizona in 1955 and to Mexico shortly thereafter. Efforts to obtain extradition were abandoned by the U.S. State Department in 1961.

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Selected State Government Reports

AGRICULTURE

Projections of California Agriculture to 1980 and 2000; by G. W. Dean, G. A. King, H. O. Carter and C. R. Shumway. California Agricultural Experiment Station, Bulletin 847. Agricultural Publications, Div. of Agricultural Sciences, University of California, Berkeley. September 1970, 59 pages. Projections of California crop acreage, yield, and production and livestock numbers and production in 1980 and 2000.

Projection of California Agriculture to 1980 and 2000: Potential Impact of San Joaquin Valley West Side Development; by Gerald W. Dean and Gordon A. King. Giannini Foundation of Agricultural Economics. University of California, Berkeley. September 1970, 144 pages. Crop and livestock projections; agricultural land and water use for the region.

CRIME AND PENOLOGY

Education in Criminal Justice; by Richard A. Myren. Coordinating Council for Higher Education, 1020 12th St., Sacramento, 95814. 1970, 104 pages.

SEARCH: System for Electronic Analysis and Retrieval of Criminal Histories. Crime Technological Research Foundation, 1108 14th St., Sacramento, 95814. 1970, 14 pages.

ENVIRONMENT

Conservation in Miniature; A Low Budget Environmental Program with a High Educational Return; by Ralph I. Turner, California Dept. of Education. Write Rudolph Schafer, Conservation Education Consultant, State Dept. of Education, 720 Capitol Mall, Sacramento, 95814. 1970, 120 pages, illus.

AB 357: The Passage of California's "Pure Air" Law in 1968; by Alvin D. Sokolow, Institute of Governmental Affairs, University of California, Davis, 95616. November 1970, 23 pages. A detailed chronology of bill's legislative course pointing up the vairety of viewpoints and approaches to the issue.

Article XXVIII — Opening the Door to Open Space Control. Pacific Law Journal. July 1970, pages 461-531. Proposes alternative solutions to the problem of preserving the state's open-space lands.

Compendium of Papers, Imperial Valley and Salton Sea Area — Geothermal Hearing. Joint Committee on Atomic Development and Space, in cooperation with the Resources Agency. November 1970. Proceedings of October 22-23 hearing on geothermal development. Write Division of Oil and Gas, Resources Agency, 1416 9th St., Sacramento, 95814. ($5 ea.)

The Poverty of Policy for the Environment; by Martin H. Krieger. Center for Planning and Development Research, Institute of Urban and Regional Development, University of California, Berkeley. January 1970. 31 pages.

A Rational Program for Control of Lead in Motor Gasoline; Report of the Technical Advisory Committee, Air Resources Board, 1108 14th St., Sacramento, 95814. 1970, 14 pages.

HEALTH AND WELFARE

An Individualized Approach to the Problem of Poverty and Dependency. Department of Rehabilitation, Research and Statistics Division, 714 P St., Sacramento, 95814. 1970, 246 pages.

A Follow-Up Study of Graduates from a Vocational Rehabilitation Program in a Residential Training Center for the Mentally Retarded; Rehabilitation Program Report. Department of Rehabilitation, 714 P St., Sacramento, 95814. August 1970, 41 pages.

Handbook for Foster Parents. Department of the Youth Authority, 714 P St., Sacramento, 91814. 1970, 10 pages.

The Marshall Program: Assessment of a Short-Term Institutional Treatment Program; Part II; by Doug Knight. Dept. of the Youth Authority. August 1970, 92 pages. Studies of intensive peer-group treatment.

TRANSPORTATION

The California Driver Fact Book. Dept. of Motor Vehicles, 2570 24th St., Sacramento, 95818. 1970 (rev.), 29 pages.

Director's Workshop on Transportation and the Environment, April 30, 1970. Dept. of Public Works, Resources Bldg., 1416 9th St., Sacramento, 95814. 1970, 34 pages. Workshop reports on transportation as related to the natural environment and the urban environment.

Mechanical Factors in Fatal Single Vehicle Accidents. Dept. of the California Highway Patrol, P.O. Box 898, Sacramento, 95804. 1970, 69 pages.

URBAN TECHNOLOGY

New Directions in the Inner City: That's What's Happening in Oakland's "Acorn" Renewal Project; by John B. Williams. *Journal of Housing*, August 1970, pp 355-359.

Regional Plan 1970-1990; San Francisco Bay Region. Association of Bay Area Governments, Claremont Hotel, Berkeley, 94705. July 1970, 32 pages.

Western American Assembly on the State and the Urban Crisis. September 1-4, 1970. Institute for Local Self-Government, Claremont Hotel, Berkeley, 94705. November 1970, 42 pages.

Administration of Justice, Part II; Study and Evaluation of How the Judicial System Serves the Needs of the People of California. League of Women Voters of California, 126 Post St., Rm. 512, San Francisco, 94108. August 1970. 36 pages.

FEPC Publications; A Checklist. Division of Fair Employment Practices, Dept. of Industrial Relations, 455 Golden Gate Avenue, San Francisco, 94101. 1970, 3 pages.

A New Internship Program for the State of California; by Richard W. Gable. *Public Personnel Review*, October 1970, pp 250-253.

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In politics merit is rewarded by the possessor being raised, like a target, to a position to be fired at.
– Buvee

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